

**FIRST AMENDMENT TO
COUNTY HOME-ARP LOAN AGREEMENT
(\$500,000)**

Between

County of Santa Barbara

and

Good Samaritan Shelter

**Veterans HOME-ARP Purchase Program
2723 Marlberry Drive, Santa Maria, CA**



HOME Investment Partnerships Program
Catalog of Federal Domestic Assistance Number 14.239
HOME-ARP Investment Partnerships Program
American Rescue Plan Act (ARP) Funding: Assistance Listing Number 14.239

**FIRST AMENDMENT TO
COUNTY HOME-ARP LOAN AGREEMENT
(VETERANS HOME-ARP - SANTA MARIA)**

This First Amendment to County HOME-ARP Loan Agreement (“First Amendment”) is made as of this 4th day of April 2023, by and between the County of Santa Barbara, a political subdivision of the State of California (“Lender” or “County”), and Good Samaritan Shelter, a California nonprofit public benefit corporation, whose address is 245 East Inger Drive, Suite 103B, Santa Maria, California, 93454 (“Borrower” and, together with Lender, collectively, the “Parties” and each individually a “Party”).

RECITALS

A. Borrower and Lender are parties to that certain County HOME-ARP Loan Agreement dated March 21, 2023 (“County HOME-ARP Loan Agreement” or “Agreement”), pursuant to which Lender extended to Borrower a HOME-ARP loan in the total amount of Four Hundred Thousand Dollars (\$400,000) (the “County HOME-ARP Loan”).

B. The County HOME-ARP Loan is evidenced by a County HOME-ARP Promissory Note dated March 21, 2023, in the original principal amount of Four Hundred Thousand Dollars (\$400,000), executed by Borrower in favor of Lender (“HOME-ARP Loan Note”), secured by a Deed of Trust (“County HOME-ARP Deed of Trust”), and subject to that certain County HOME-ARP Loan Regulatory Agreement and Declaration of Restrictive Covenants (“County HOME-ARP Loan Regulatory Agreement”).

C. Borrower has requested additional funds in order to complete the Project, and Lender desires to lend to Borrower an additional \$100,000 in HOME Entitlement Funds from the United States Department of Housing and Urban Development, pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990, for the purpose of expanding the supply of decent, safe, sanitary and affordable housing for low-income persons and families (“HOME Funds”).

D. The Parties desire to memorialize the addition of the HOME Funds to the County HOME-ARP Loan, and the resultant increase of \$100,000 in the total amount of the County HOME-ARP Loan, by entering into this First Amendment to, a HOME Promissory Note in the original principal amount of One Hundred Thousand Dollars (\$100,000), executed by Borrower in favor of Lender, in the form attached hereto as Exhibit A and incorporated herein by reference (“HOME Note”), Amending and Restating the County HOME-ARP Deed of Trust (“Amended and Restated County HOME-ARP Deed of Trust”), and amending and restating the County HOME-ARP Loan Regulatory Agreement (“Amended and Restated County HOME-ARP Loan Regulatory Agreement”).

NOW THEREFORE, in consideration of the mutual agreements, obligations, and representations set forth herein, and in further consideration for the HOME Funds, Borrower and Lender hereby agree to amend the County HOME-ARP Loan Agreement as follows:

1. All references to the “County HOME-ARP Deed of Trust” in the County HOME-ARP Loan Agreement are hereby amended to refer to the “Amended and Restated County HOME-ARP Deed of Trust”.

2. All references to the “County HOME-ARP Deed of Trust” in the County HOME-ARP Loan Agreement are hereby amended to refer to the “Amended and Restated County HOME-ARP Deed of Trust”.

3. The County HOME-ARP Loan Agreement is hereby amended by adding a new Exhibit J, to read in its entirety as Exhibit A to this First Amendment, attached hereto and incorporated herein and therein by this reference.

4. Exhibit B to the County HOME-ARP Loan Agreement is hereby amended by replacing it in its entirety with Exhibit B to this First Amendment, attached hereto and incorporated herein by reference.

5. The County HOME-ARP Loan Agreement is hereby amended by adding a new Section 1.32, to read in its entirety as follows:

“1.32 **“HOME NOTE”** means the promissory note executed by Borrower in favor of Lender in the amount of One Hundred Thousand Dollars (\$100,000), to evidence the portion of the County HOME-ARP Loan comprised of HOME Funds, as well as any amendments to, modifications of, or restatements of said promissory note, substantially in the form attached hereto as Exhibit J, which is attached hereto and hereby incorporated into this County HOME-ARP Loan Agreement by this reference.”

6. Section 1.8 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“1.8 **“COUNTY HOME-ARP LOAN”** means the loan of HOME-ARP Funds in the total amount of Five Hundred Thousand Dollars (\$500,000), comprised of One Hundred Thousand Dollars (\$100,000) in HOME funding (“Home Funds”), and Four Hundred Thousand Dollars (\$400,000) in HOME-ARP funds, as provided in this County HOME-ARP Loan Agreement.”

7. Section 1.11 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“1.11 **“COUNTY HOME-ARP LOAN DOCUMENTS”** means, collectively, the County HOME-ARP Loan Agreement, the County HOME-ARP Loan Note, the HOME Note, the Amended and Restated County HOME-ARP Loan Deed of Trust, and the Amended and Restated County HOME-ARP Loan Regulatory Agreement, as they may be amended, modified, or restated from time to time, along with all exhibits and attachments hereto and thereto.”

8. Section 2.2 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“2.2 **AMOUNT.** The principal amount of the County HOME-ARP Loan shall be an amount not to exceed Five Hundred Thousand Dollars (\$500,000), and shall be evidenced by the County HOME-ARP Loan Note, and the HOME Note (collectively, the “Notes”). In the event that insufficient HOME funds or HOME-ARP funds are available to Lender for any reason at any time, Lender shall not be obligated to make payments to Borrower unless and until sufficient HOME-ARP funds and HOME funds become available to Lender, and Borrower shall hold Lender harmless.”

9. Section 2.3 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“2.3 **INTEREST.** Subject to the provisions of Section 2.4, below, the Notes shall bear simple interest at a rate of zero percent (0%) per annum. Interest is not compounding.”

10. The first sentence of Section 2.5 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“The principal and interest of the County HOME-ARP Loan shall be due and payable in accordance with the provisions of the Notes.”

11. Section 2.8 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“2.8 **REPAYMENT OF THE COUNTY HOME-ARP LOAN.** All accrued interest and principal of the County HOME-ARP Loan shall be due and payable in accordance with the terms set forth in Section 2.5, above, and as provided in the Notes.”

12. Section 3.2 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“3.2 **DISBURSEMENT OF HOME-ARP FUNDS.** Lender shall provide HOME-ARP Funds to Borrower only for eligible Project costs incurred by Borrower and approved by Lender in accordance with the Project Budget (Exhibit B). HOME-ARP Funds subject to reimbursement to Borrower for eligible Project costs will be disbursed as incurred and after Borrower has submitted to Lender all Project cost and related documentation confirming cost eligibility and evidence of payment for which reimbursement is requested by Lender. Borrower may not request disbursement of HOME-ARP Funds and/or HOME Funds until needed for payment of eligible Project costs in accordance with the Project Budget. The amount of each Borrower reimbursement request shall be limited to the amount needed. Program income must be disbursed before Borrower requests funds from Lender. Disbursement of funds to Borrower hereunder shall not exceed a total of Five Hundred Thousand Dollars (\$500,000).

HOME-ARP Funds shall be disbursed through periodic payments based upon construction costs incurred and construction work completed, as evidenced by documentation supporting the completed work signed by the Project architect or General Contractor, and verified by Lender. Borrower shall submit to Lender disbursement requests (“Written Disbursement Requests”) in writing no more frequently than one time per month. Written Disbursement Requests shall include itemized invoices corresponding to the Budget (Exhibit B). Borrower shall also attach copies of receipts or other acceptable proof of payment by Borrower and date(s) of such payment(s). Borrower shall also attach copies of certified payroll reports current to within 21 calendar days of the date of the Written Disbursement Request documenting compliance with the Davis-Bacon Act, evidence of compliance with Section 3 of the Housing and Community Development Act of 1968 (12 U.S.C., 1701u) and 24 CFR Part 75, and evidence of compliance with the requirement to take all necessary affirmative steps to assure that minority firms, women’s business enterprises, and labor surplus area firms are used when possible pursuant to 24 CFR

85.36(e). Lender reserves the right to request additional documentation as necessary to comply with Federal, state and local regulations, and Borrower shall comply with all such requests.

Written Disbursement Requests shall only be for items included in the Budget (Exhibit B) in the form of a signed Expenditure Summary Payment Request (“ESPR”) form attached hereto as Exhibit I. Changes shall not be made to the Budget without the prior written consent of Lender. However, Lender’s obligations shall in no event exceed the amount of Five Hundred Thousand Dollars (\$500,000). All costs incurred in construction, development and operation of the Project shall be the responsibility and obligation solely of Borrower.

Notwithstanding the foregoing, as a special disbursement condition, Lender shall retain Ten Thousand Dollars (\$10,000) of HOME-ARP Funds until 30 days after Borrower has completed the acquisition and improvements to the Project and provided to Lender beneficiary data for each HOME-ARP Assisted Unit of the Project as required under the HOME-ARP Program, and all liens against the Property, if any, are released.”

13. Section 5.9 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“5.9 CONFLICTS BETWEEN COVENANTS OR RESTRICTIONS AFFECTING THE PROPERTY. Any conflicts between the restrictive provisions contained in this County HOME-ARP Loan Agreement, the Notes, the Amended and Restated County HOME-ARP Loan Deed of Trust, the Amended and Restated County HOME-ARP Loan Regulatory Agreement, and any other agreements in connection with the County HOME-ARP Loan or which affect the Property are to be resolved by applying the more restrictive covenants or restrictions herein or therein.”

14. Section 9.2 of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“9.2 CONTRACT ADMINISTRATION. The County’s Department of Community Services (CSD) will serve as the County’s (or Lender’s) administrator of the Project, the County HOME-ARP Loan, this County HOME-ARP Loan Agreement, the Notes, the Amended and Restated HOME-ARP Regulatory Agreement, and the other HOME-ARP Loan Documents. CSD is authorized to approve Budget revisions as authorized under Section 2.6 of this County HOME-ARP Loan Agreement, collect loan repayments, perform loan and Project monitoring functions, and other administrative duties.”

15. Section 8.1.A(1) of the County HOME-ARP Loan Agreement is hereby amended to read in its entirety as follows:

“(1) Borrower’s failure to pay when due any sums payable under the Notes or any advances made by Lender under the Amended and Restated County HOME-ARP Loan Deed of Trust or this County HOME-ARP Loan Agreement;”


16. Except as set forth herein, this First Amendment shall not modify or change any of the provisions of the County HOME-ARP Loan Agreement, and the parties hereto and thereto are bound by the provisions of the County HOME-ARP Loan Agreement, as amended herein.

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

IN WITNESS WHEREOF, Lender and Borrower have caused this First Amendment to County HOME-ARP Loan Agreement to be executed by their respective duly authorized officers.

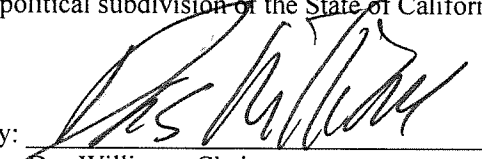
ATTEST:

MONA MIYASATO
Clerk of the Board

By: 
Deputy Clerk of the Board

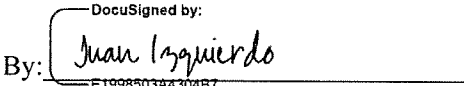
LENDER:

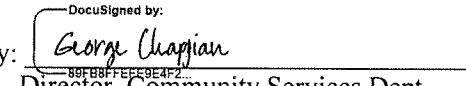
County of Santa Barbara,
a political subdivision of the State of California

By: 
Das Williams, Chair
Board of Supervisors

APPROVED AS TO ACCOUNTING FORM:

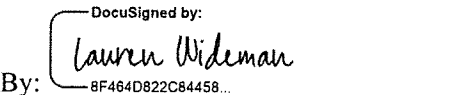
BETSY SCHAFFER, CPA
AUDITOR-CONTROLLER

By: 
Deputy

DocuSigned by:
By: 
Director, Community Services Dept.

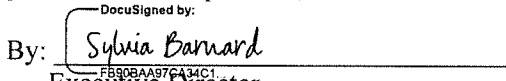
APPROVED AS TO FORM

RACHEL VAN MULLEM
COUNTY COUNSEL

By: 
Deputy County Counsel

BORROWER

Good Samaritan Shelter, a California nonprofit
public benefit corporation,

By: 
Executive Director

APPROVED AS TO FORM:

RISK MANAGEMENT


By: 
Gregory Mulligan, ARM, AIC
Risk Manager

EXHIBIT A
HOME NOTE

COUNTY HOME LOAN PROMISSORY NOTE

Santa Barbara, California
April 4, 2023

\$100,000

FOR VALUE RECEIVED, Good Samaritan Shelter, a California nonprofit public benefit corporation (“Borrower”), whose address is 245 East Inger Street, Suite 103B, Santa Maria, California, 93454, hereby promises to pay to the order of the County of Santa Barbara, a political subdivision of the State of California (“Lender”), whose address is 123 E. Anapamu Street, 2nd Floor, Santa Barbara, California 93101, the principal amount equal to One Hundred Thousand Dollars (\$100,000), or so much thereof as may be advanced by Lender to Borrower, together with interest thereon, as set forth below.

1. **PURPOSE.** In order to assist Borrower in acquiring and improving a single-family residence located at 2723 Marlberry Street, in the city of Santa Maria, Santa Barbara County, California (“Project”), Lender has agreed to loan to Borrower a HOME loan in the amount of One Hundred Thousand Dollars (\$100,000), derived from funds received by the Lender from the United States Department of Housing and Urban Development through its HOME Program.

2. **BORROWER’S OBLIGATION.** This promissory note (“HOME Note”) evidences Borrower’s obligation to pay Lender the principal amount of One Hundred Thousand Dollars (\$100,000) for the HOME Funds loaned to Borrower by Lender for the specific uses designated in that certain County HOME-ARP Loan Agreement by and between Borrower and Lender dated March 21, 2023, as amended by that certain First Amendment to County HOME-ARP Loan Agreement dated April 4, 2023 (as amended, the “County HOME-ARP Loan Agreement”).

3. **INTEREST.** Subject to Section 4, below, this HOME Note shall bear zero percent interest (0%) per annum.

4. **DEFAULT INTEREST.** In the Event of Default by Borrower of any of its obligations under this HOME Note or any of the other County HOME-ARP Loan Documents (defined below), Borrower shall pay to Lender interest on the outstanding principal of this HOME Note at an annual rate equal to the lesser of (i) ten percent (10%) per annum, or (ii) the highest interest allowed by law, in addition to the interest rate provided in Section 3, above, from the date of such Event of Default until the date that such Event of Default is cured or the County HOME-ARP Loan is repaid in full. Such default interest shall be paid monthly, and is due to the County on the first day of each month from the date of such Event of Default until the date that such Event of Default is cured or the County HOME-ARP Loan is repaid in full.

5. **AMOUNT AND TIME OF PAYMENT.** The principal and interest of the County HOME-ARP Loan shall be due and payable in accordance with Section 9 of this HOME Note on the earlier of: (a) the date that is twenty (20) years after the date of Project completion in conformance with 92 CFR 92.2 and 24 CFR 92,252(e), and evidenced by a written notice of completion provided by Borrower to County, or (b) the date the Property is sold or otherwise transferred, or (c) the date when Borrower has failed to commence construction as set forth in Section 4.1 of the County HOME-ARP Loan Agreement, or (d) the occurrence of an Event of Default by Borrower, as defined in Section 8.1 of the County HOME-ARP Loan Agreement, which, if subject to cure, has not been cured as provided for in Section 8.2 of the County HOME-

ARP Loan Agreement. The foregoing notwithstanding, if Borrower remains in compliance with the terms and conditions of the County HOME-ARP Loan Documents, as determined by the County through periodic inspections of the Project and tenant files documenting occupancy by Qualified Households, and as indicated with monitoring close-out letters from Lender to Borrower indicating compliance with the Amended and Restated HOME-ARP Loan Regulatory Agreement, for the twenty (20) year term described therein, then the principal amount of the HOME-ARP Loan along with all accrued interest thereon, other than interest accrued in accordance with Section 4, above, and/or pursuant to Section 2.4 of the County HOME-ARP Loan Agreement shall be forgiven.

6. **DEFINITIONS.** All initially capitalized terms used but not defined in this HOME Note shall have the definition ascribed to such terms in the County HOME-ARP Loan Agreement. The following terms are defined in the County HOME-ARP Loan Agreement and repeated here for convenience of reference:

- a. “Annual Financial Statement” means the audited financial statement of Borrower’s Operating Expenses and Revenue, prepared at the Borrower’s expense, by an independent certified accountant reasonably acceptable to Lender, which shall be provided as part of Borrower’s annual reporting to Lender.
- b. “Amended and Restated County HOME-ARP Loan Deed of Trust” means that deed of trust, assignment of rents, and security agreement dated on or about the date hereof and placed on the Property and the improvements to be constructed thereon as security for the County HOME-ARP Loan by Borrower as trustor with Lender as beneficiary, as well as any amendments to, modifications of, and restatements of said Amended and Restated County HOME-ARP Loan Deed of Trust.
- c. “Amended and Restated County HOME-ARP Loan Regulatory Agreement” means the Regulatory Agreement dated on or about the date hereof executed by Borrower and Lender and recorded against the Property which regulates the use of the Project as a HOME ARP-Assisted Unit.
- d. “County HOME-ARP Loan Documents” means, collectively, the County HOME-ARP Loan Agreement, this HOME Note, the County HOME-ARP Loan Note, the Amended and Restated County HOME-ARP Loan Deed of Trust, and the Amended and Restated County HOME-ARP Loan Regulatory Agreement, as such documents may be amended, modified, or restated from time to time, along with all exhibits and attachments hereto and thereto.
- e. “Fiscal Year” means the twelve (12) month accounting period, beginning July 1 and ending June 30 of each year, and for which Annual Financial Statements shall be prepared each year.
- f. “Operating Expenses” means actual, reasonable and customary costs, fees and expenses directly attributable to the operation, maintenance, and management of the Project, including painting, cleaning, repairs and alterations, landscaping, utilities, rubbish removal, certificates, permits and licenses, sewer charges, real and personal property taxes and assessments, insurance, reasonable property

management fee, annual County Monitoring Fee of in the initial amount of \$2,500 and increasing 3% annually, security, advertising, promotion and publicity, office, janitorial, cleaning and building supplies, lease payments if any, cash deposited into reserves for operating expenses and capital replacements pursuant to Section 2.12 of the County HOME-ARP Loan Agreement, as amended, purchase, repair, servicing and installation of appliances, equipment, fixtures and furnishings, fees and expenses of accountants, attorneys, consultants and other professionals, and reasonable and actual costs of staff salaries for the delivery of social services and/or case management. The Operating Expenses shall be reported in each Annual Financial Statement.

- g. "Project" means the construction, operation and management of the Property and the improvements to be constructed thereon according to the terms of the County HOME-ARP Loan Agreement, as amended and as defined in 24 CFR 92.2.
- h. "Property" means the property located at 2723 Marlberry Street, in the city of Santa Maria, County of Santa Barbara, California as is more fully described in Exhibit A to the County HOME-ARP Loan Agreement and Amended and Restated County HOME-ARP Loan Deed of Trust, executed concurrently herewith.
- i. This paragraph left intentionally blank.
- j. This paragraph left intentionally blank.
- l. "Term" means the period of time commencing with the date of this HOME Note and terminating on the date that is six months after the date that is twenty (20) years after the date of the issuance of a notice of completion issued for the Project.

7. **PAYMENTS.** All accrued interest and principal of this HOME Note shall be due and payable in accordance with the terms set forth in Section 5, above.

8. All payments made by Borrower shall be applied as follows: first to pay current annual interest due, if any; then to the cumulative interest owed, if any; then to reduce the principal amount of this HOME Note.

9. **PLACE AND MANNER OF PAYMENT.** All amounts due and payable under this HOME Note are payable at the office of Lender at the address set forth above, or at such other place as Lender may designate to Borrower in writing from time to time, in any coin or currency of the United States which on the respective Payment Dates thereof shall be legal tender for the payment of public and private debts.

10. **DEFAULT AND ACCELERATION.** This HOME Note is secured by an Amended and Restated County HOME-ARP Loan Deed of Trust. All covenants, conditions and agreements contained in the Amended and Restated County HOME-ARP Loan Deed of Trust and the County HOME-ARP Loan Agreement are hereby made a part of this HOME Note. The principal and all current and accrued interest, shall, at the option of Lender, be immediately due and payable upon any Event of Default as defined in the County HOME-ARP Loan Agreement,

which, if curable, has not been cured in accordance with the provisions of the County HOME-ARP Loan Agreement, including, but not limited to, the failure of Borrower to make any payment hereunder or thereunder when due. Upon any Event of Default, Lender may exercise any other right or remedy permitted under this HOME Note, the other HOME-ARP Loan Documents, or applicable law.

11. PREPAYMENT OF COUNTY HOME LOAN. No prepayment penalty will be charged to Borrower for payment of all or any portion of the County HOME-ARP Loan amounts prior to the end of the Term described herein. However, prepayment of the County HOME-ARP Loan shall not affect Borrower's obligations under the Amended and Restated County HOME-ARP Loan Regulatory Agreement.

12. NO OFFSET. Borrower hereby waives any and all rights of offset it now has or may hereafter have against Lender, its successors and assigns, and agrees to make the payments called for herein in accordance with the terms of this HOME Note.

13. WAIVERS. All presentments, notices of dishonor, and protests are waived by all makers, sureties, guarantors, and endorsers of this HOME Note, if any.

14. CONSENTS AND APPROVALS. Any consent or approval of Lender required under this HOME Note shall not be unreasonably withheld or delayed.

15. NOTICES. Except as may be otherwise specifically provided herein, any approval, notice, direction, consent request or other action by Lender shall be in writing and may be communicated to Borrower at the principal office of Borrower set forth below, or at such other place or places as Borrower shall designate in writing, from time to time, for the receipt of communications from Lender.

BORROWER: Good Samaritan Shelter
245 East Inger Street, Suite 103B
Santa Maria, CA 93454
Attn: Executive Director

16. BINDING UPON SUCCESSORS. All provisions of this HOME Note shall be binding upon and inure to the benefit of the permitted successors-in-interest, transferees, and assigns of Borrower and Lender, to the extent such transfer or assignment is expressly permitted by the County HOME-ARP Loan Agreement, and the Amended and Restated County HOME-ARP Loan Regulatory Agreement.

17. GOVERNING LAW. This HOME Note shall be interpreted under and governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

18. SEVERABILITY. Every provision of this HOME Note is intended to be severable in the event that any provision of this HOME Note is held invalid, illegal, or unenforceable by a court of competent jurisdiction, in which case the validity, legality, and enforceability of the remaining provisions shall not in any way be thereby affected or impaired.

19. **TIME.** Time is of the essence in this HOME Note.

20. **WAIVER.** Any waiver by Lender of any obligation in this HOME Note or any of the other County HOME-ARP Loan Documents, as amended, must be in writing duly signed by Lender. No waiver will be implied from any delay or failure by Lender to take action on any breach or default of Borrower, or to pursue any remedy allowed under any of the County HOME-ARP Loan Documents, or applicable law. Any extension of time granted by Lender to Borrower to perform any obligation under any provisions of the County HOME-ARP Loan Documents, as amended, shall not operate as a waiver or release at any other time or from any of the Borrower's obligations under any other provision of the County HOME-ARP Loan Documents. Consent by Lender to any act or omission by Borrower shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Lender's written consent to future waivers.

21. **AMENDMENTS AND MODIFICATIONS.** No amendment or modification to this HOME Note shall be effective unless in writing duly executed by both Borrower and Lender.

21 NONRECOURSE. Except as expressly provided in the second paragraph of this Section 21, the Borrower, and the Borrower's partners, officers, directors, employees and agents shall not have any direct or indirect personal liability for payment of the principal of, or interest on, this HOME Note. The sole recourse of the Lender with respect to the principal of, or interest on, the HOME Note shall be to the property securing the indebtedness evidenced by the HOME Note. However, nothing contained in the foregoing limitation of liability shall (i) limit or impair the enforcement against all such security for the HOME Note of all the rights and remedies of the Lender, or (ii) be deemed in any way to impair the right of the Lender to assert the unpaid principal amount of the HOME Note as demand for money within the meaning and intentment of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

The foregoing limitation of liability is intended to apply only to the obligation for the repayment of the principal of, and payment of interest on the HOME Note, except as hereafter set forth; nothing contained herein is intended to relieve the Borrower of personal liability to the extent of actual damages for (i) Borrower's fraud or willful misrepresentation; (ii) the failure to pay taxes, assessments or other charges (which are not contested by the Borrower in good faith) which may create liens on the Property that are payable or applicable prior to any foreclosure under the Amended and Restated County HOME-ARP Loan Deed of Trust (to the full extent of such taxes, assessments or other charges); (iii) the fair market value of any personal property or fixtures removed or disposed of by the Borrower other than in accordance with the Amended and Restated County HOME-ARP Loan Deed of Trust; (iv) the material misapplication of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Property; (v) the Borrower's indemnification obligations under the County HOME-ARP Loan Agreement, as amended; and (vi) payment to the Lender of any rental income or other income arising with respect to the Property received by the Borrower after the Lender has given notice to the Borrower of the occurrence of an Event of Default and after the expiration of all applicable notice and cure periods, if any, subject to the rights of any lender providing a loan secured by the Property to which the Lender has agreed in writing duly executed by Lender to subordinate to the Amended and Restated County HOME-ARP Loan Deed of Trust.

22. COUNTY HOME ARP LOAN AGREEMENT CONTROLS. In the event that any provisions of this HOME Note and the County HOME-ARP Loan Agreement conflict, the terms of the County HOME-ARP Loan Agreement shall control and prevail.

BORROWER:

GOOD SAMARITAN SHELTER, a California nonprofit public benefit corporation

By: _____
Executive Director

EXHIBIT B

**SOURCES AND USES/BUDGET
15-YEAR OPERATING PROFORMA**

EXHIBIT C

AMENDED AND RESTATED COUNTY HOME-ARP LOAN DEED OF TRUST

NO FEE DOCUMENT

**Recording requested by and
when recorded, mail to:**

County of Santa Barbara
Housing and Community Development
123 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

NO FEE DOCUMENT PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 27383

**AMENDED AND RESTATED COUNTY HOME-ARP LOAN DEED OF TRUST,
ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT**

THIS AMENDED AND RESTATED COUNTY HOME-ARP LOAN DEED OF TRUST, ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT (“Amended and Restated County HOME-ARP Loan Deed of Trust”) is made as of this 4th day of April 2023, by Good Samaritan Shelter, a California nonprofit public benefit corporation (“Trustor”), to First American Title Company as trustee (“Trustee”), for the benefit of the County of Santa Barbara, a political subdivision of the State of California (“Beneficiary”).

RECITALS

A. On March 21, 2023, Beneficiary extended to Trustor a HOME-ARP loan in the total amount of Four Hundred Thousand Dollars (\$400,000) (the “County HOME-ARP Loan”), evidenced by that certain County HOME-ARP Loan Agreement dated March 21, 2023, as amended by that certain First Amendment to County HOME-ARP Loan Agreement dated as of the date hereof (as amended, “County HOME-ARP Loan Agreement”), a County HOME-ARP Promissory Note dated March 21, 2023, in the original principal amount of Four Hundred Thousand Dollars (\$400,000), executed by Borrower in favor of Lender (“County HOME-ARP Loan Note”), secured by a Deed of Trust (“County HOME-ARP Deed of Trust”), and subject to that certain County HOME-ARP Loan Regulatory Agreement and Declaration of Restrictive Covenants (“County HOME-ARP Loan Regulatory Agreement”).

B. Concurrently herewith, the Trustor and Beneficiary are entering into a First Amendment to the County HOME-ARP Loan Agreement, a HOME Promissory Note in the original principal amount of One Hundred Thousand Dollars (\$100,000), executed by Trustor in favor of Beneficiary (“HOME Note” and together with the County HOME-ARP Loan Note, collectively, the “Notes”), Amending and Restating the County HOME-ARP Loan Regulatory Agreement (“Amended and Restated County HOME-ARP Loan Regulatory Agreement”), and entering into this Amended and Restated County HOME-ARP Loan Deed of Trust, to memorialize a \$100,000 increase in the amount of the County HOME-ARP Loan.

C. As further consideration for the increased amount of the County HOME-ARP Loan, the Trustor has agreed to enter into and record this Amended and Restated County HOME-ARP Loan Deed of Trust.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, and in further consideration for the aforementioned County HOME-ARP Loan, as amended, the parties hereto hereby agree as follows:

GRANT IN TRUST

1. **GRANT.** Trustor, in consideration of the indebtedness referred to below, hereby irrevocably grants and conveys to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, all of Trustor's interest in the property located at 2723 Marlberry Street, city of Santa Maria, in the County of Santa Barbara, California (the "Property"), as more particularly described in the attached Exhibit A, incorporated herein by this reference;

TOGETHER WITH all interest, estates or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the Property; all buildings, structures, fixtures, improvements, signs, and landscaping now or hereafter erected or located on the Property, including all equipment and machinery used for supplying or distributing heating, cooling, electricity, gas, water, air, and light, all kitchen and laundry appliances such as washers, dryers, refrigerators, garbage disposals, ovens, ranges, dishwashers, all plumbing and bathroom fixtures, all security and access control equipment, fire prevention and extinguishment equipment, elevators, floor coverings, window coverings, panelling, cabinets, (provided, however, that Trustor shall have the right to remove, if necessary, such fixtures, furnishings, and equipment for the purpose of replacement with similar items of the same quality performing the same functions, which replacements shall themselves become part of this grant); all building material and equipment either now or hereafter delivered to the Property and intended to be installed therein or any such material and equipment purchased in whole or in part with HOME-ARP Funds whether or not located on the Property; all reserves, accounts, deferred payments, and refunds relating to development on the Property; all Revenue, including rents and income generated by or derived from the Property or improvements thereon (subject however to the assignment of rents to Beneficiary contained herein); all leases, subleases, rental agreements and licenses covering the Property or any portion thereof now existing or hereafter entered into, and all interests of Trustor in security deposits, advance rentals, accounts, payments, and receivables of similar nature with respect to such leases, subleases, rental agreements and licenses; all easements and rights-of-way appurtenant to the Property, including parking and recreational easements, and all interests of Trustor in any land lying within the right-of-way of any streets, sidewalks, and areas of land adjacent to or used in connection with the Property; all development rights and credits, air rights, water rights, and oil, gas or mineral rights with respect to the Property; all claims or demands with respect to insurance proceeds, bonds, warranties, guarantees and sureties, and all awards made for a taking by eminent domain; all interests and rights in any private or government grants, subsidies, loans, or other financing with respect to development on the Property; all interests in personal property used in and about the Property (except furniture and other personal property of occupants of dwelling units on the Property); all intangible Property and rights relating to the Property or operations on the Property, including copyrights, patents, trade names, goodwill, trademarks, and service marks; all government permits, approvals, and map rights related to construction of the Property; all architectural, structural, and mechanical plans, specifications, designs, studies, and data with respect to construction or improvements on the Property; all environmental tests, studies and reports with respect to the Property; all current and future claims and rights of action of Trustor against prior owners and operators of the Property, neighboring property owners and operators,

tenants and former tenants, consultants, advisors, and other third parties with respect to environmental or Hazardous Materials contamination and cleanup of the Property under any federal, state, or local ordinances, statutes, regulations, or administrative decisions or common law.

All of the foregoing, together with the Property, is herein referred to as the "Security."

OBLIGATIONS SECURED

2. **OBLIGATIONS.** Trustor makes this grant for the purpose of securing the following obligations of Trustor:

A. Repayment of the indebtedness of Trustor to Beneficiary in the principal sum of Five Hundred Thousand Dollars (\$500,000) with interest thereon, evidenced by the Notes executed by Trustor on file at the offices of Beneficiary and hereby incorporated by reference into this Amended and Restated County HOME-ARP Loan Deed of Trust, or as much as has been disbursed to Trustor thereunder; and

B. Payment of any sums advanced by Beneficiary to protect the Security and priority of this Amended and Restated County HOME-ARP Loan Deed of Trust; and

C. Payment of any sums advanced by Beneficiary following a breach of Trustor's obligation for payment of said sums, such as Trustor's obligation to pay fees, assessments, taxes, charges, and levies imposed by any public authority or utility company and/or Trustor's obligation to pay any sums payable under the Notes, the expiration of any applicable cure period, with interest thereon as provided herein; and

D. Performance of every obligation, covenant or agreement of Trustor contained in this Amended and Restated County HOME-ARP Loan Deed of Trust, the Notes, and the County HOME-ARP Loan Agreement executed between Trustor and Beneficiary on file at the offices of Beneficiary and hereby incorporated into this County Amended and Restated HOME-ARP Loan Deed of Trust by this reference, and the Amended and Restated County HOME-ARP Loan Regulatory Agreement executed between Trustor and Beneficiary of even date herewith ("Amended and Restated County HOME-ARP Loan Regulatory Agreement"), including all modifications, extensions and renewals of these obligations; and

E. Performance of any other obligation or repayment of any other indebtedness of Trustor to Beneficiary, where such evidence of obligation or indebtedness specifically recites that it is secured by this Amended and Restated County HOME-ARP Loan Deed of Trust; and

F. Performance of any obligations of Trustor in any other agreements with respect to financing of development of the Property or the Security, the failure to perform the absence of which would adversely affect Beneficiary, whether or not Beneficiary is a party to such agreements.

ABSOLUTE ASSIGNMENT OF RENTS AND RIGHT TO POSSESSION

3. **ASSIGNMENT.** As additional security, Trustor hereby assigns to Beneficiary: (a) all of the Revenue, rents, profits, and income from the Security, any deposits now or hereafter in Trustor's possession which have been collected with respect to the Security, and any reserve or capital funds now or hereafter held by Trustor with respect to construction or operation of the Security (collectively, the "Rents"); and (b) the right to enter, take possession of, and manage the Security; provided, however that

Trustor shall have, before an Event of Default, the exclusive right to possess the Security and to collect Rents and use them in accordance with the documents described in Section 2.D., above (collectively, the "Amended County HOME-ARP Loan Documents"). This assignment is intended to be an absolute and present transfer of Trustor's interest in existing and future Rents, effective as of the date of this Amended and Restated County HOME-ARP Loan Deed of Trust.

4. **ENFORCEMENT.** Upon the happening of an Event of Default which remains uncured after expiration of the applicable cure period, if any, pursuant to the terms of the County HOME-ARP Loan Agreement or other Amended County HOME-ARP Loan Documents, Beneficiary may, in addition to other rights and remedies permitted by the County HOME-ARP Loan Agreement, this Amended and Restated County HOME-ARP Loan Deed of Trust, or applicable law: (a) enter upon, take possession of, and manage the Security, either in person as a mortgagee-in-possession, by agent, or by a receiver appointed by a court, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Security, (b) collect all Rents, including those past due and unpaid, and apply the same to pay for the Project Related Costs, costs and expenses of operation of the Security, including attorneys' fees, and pay off any indebtedness secured by this Amended and Restated County HOME-ARP Loan Deed of Trust, all in such order as Beneficiary may determine, (c) enter upon and take possession of the Security, and complete construction of any improvements on the Security as provided for in the plans and specifications approved under the County HOME-ARP Loan Agreement or any modifications to the plans and specifications or the development of the Security that Beneficiary in its sole discretion believes is appropriate, and/or (d) Beneficiary may make, cancel, enforce, and modify leases and rental agreements, obtain and evict tenants, set and modify rent terms, sue for rents due, enter into, modify, or terminate any contracts or agreements, or take any legal action, as it deems necessary with respect to the Rents or to development or operation of the Security, subject to the rent restrictions imposed against the Property by the Amended and Restated County HOME-ARP Loan Regulatory Agreement.

5. **APPOINTMENT OF A RECEIVER.** In any action to enforce this assignment, Beneficiary may apply for the appointment of a receiver to take possession of the Security and take whatever measures are necessary to preserve and manage the Security for the benefit of Beneficiary and the public interest. Trustor hereby consents to the appointment of a receiver. The receiver shall have all of the authority over the Security that Beneficiary would have if Beneficiary took possession of the Security under this assignment as a mortgagee-in-possession, including the right to collect and apply Rents and the right to complete construction of improvements.

6. **NO WAIVER OF POWER OF SALE.** The entering upon and taking possession of the Security and the collection of Rents shall not cure or waive any Event of Default or notice of default hereunder or under any of the Amended County HOME-ARP Loan Documents or invalidate any act by Beneficiary, Beneficiary's agents or a receiver in response to such Event of Default or notice of default and, notwithstanding the continuance in possession of the Security or the collection and application of Rents, Beneficiary shall be entitled to exercise every right provided for in this Amended and Restated County HOME-ARP Loan Deed of Trust, in the Amended County HOME-ARP Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale.

COMMERCIAL CODE SECURITY AGREEMENT

7. **GRANT.** This Amended and Restated County HOME-ARP Loan Deed of Trust is intended to be a security agreement and financing statement pursuant to the California Commercial Code for any of the items specified above as part of the Security which under applicable law may be subject to a security interest pursuant to the California Commercial Code, and Trustor hereby grants Beneficiary a security interest in the Security. Beneficiary may file a copy of this Amended and Restated County HOME-ARP

Loan Deed of Trust in the real estate records or other appropriate index as a financing statement for any of the items specified as part of the Security. Trustor shall execute and deliver to Beneficiary at Beneficiary's request any financing statements, as well as extensions, renewals, and amendments thereof, and copies of this instrument in such form as Beneficiary may require to perfect a security interest with respect to the Security. Trustor shall pay all costs of filing such financing statements and shall pay all reasonable costs of any record searches for financing statements and releases. Without the prior written consent of Beneficiary, Trustor shall not create or permit any other security interest in the Security. This Amended and Restated County HOME-ARP Loan Deed of Trust constitutes a fixture filing under Division 9 of the California Commercial Code.

8. **REMEDIES.** Upon Trustor's breach of any obligation or agreement in the Amended County HOME-ARP Loan Documents, after expiration of any applicable cure period, Beneficiary shall have the remedies of a secured party under the California Commercial Code and at Beneficiary's option may also invoke the remedies provided for elsewhere in this Amended and Restated County HOME-ARP Loan Deed of Trust or any of the other Amended County HOME-ARP Loan Documents. Beneficiary may proceed against the Security specified above separately or together and in any order whatsoever.

RIGHTS AND OBLIGATIONS OF TRUSTOR

9. **PERFORMANCE OF SECURED OBLIGATION.** Trustor shall promptly perform each obligation secured by this Amended and Restated County HOME-ARP Loan Deed of Trust in accordance with the Amended County HOME-ARP Loan Documents.

10. **PAYMENT OF PRINCIPAL AND INTEREST.** Trustor shall promptly pay when due the principal and any interest due on the indebtedness evidenced by the Notes.

11. **MAINTENANCE OF THE SECURITY.** Trustor shall, at the Trustor's own expense, maintain and preserve the Security or cause the Security to be maintained and preserved in good condition, in good repair, ordinary wear and tear excepted, and in a decent, safe, sanitary, habitable and tenable condition. Trustor shall not cause or permit any violation of any laws, ordinances, regulations, covenants, conditions, restrictions, or equitable servitudes as they pertain to improvements, alterations, maintenance or demolition on the Security. Trustor shall not commit or permit intentional waste on or to the Security. Trustor shall not abandon the Security. Beneficiary shall have no responsibility over maintenance of the Security. In the event Trustor fails to maintain the Security in accordance with the standards in this Amended and Restated County HOME-ARP Loan Deed of Trust or any of the other the Amended County HOME-ARP Loan Documents, and after any applicable cure periods, Beneficiary may, but shall be under no obligation to, make such repairs or replacements as are necessary and provide for payment thereof. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of interest as specified in the Notes (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall become an additional obligation of Trustor to Beneficiary and shall be secured by this Amended and Restated County HOME-ARP Loan Deed of Trust.

12. **INSPECTION OF THE SECURITY.** Trustor shall permit Beneficiary to enter and inspect the Security during normal business hours for compliance with these obligations upon at least 24 hours advance notice of such visit by Beneficiary to Trustor or Trustor's management agent.

13. **LIENS, ENCUMBRANCES, AND CHARGES.** Trustor shall discharge any lien or encumbrance not approved by Beneficiary in writing that may attain priority over this Amended and

Restated County HOME-ARP Loan Deed of Trust, as provided for in the County HOME-ARP Loan Agreement.

14. DEFENSE AND NOTICE OF CLAIMS AND ACTIONS. Trustor shall appear in and defend, at its own expense, any action or proceeding purporting to affect the Security and/or the rights of Beneficiary. Trustor shall give Beneficiary and Trustee prompt notice in writing of the assertion of any claim, of the filing of any action or proceeding and of any condemnation offer or action with respect to the Security upon Trustor's receipt of notice thereof.

15. SUITS TO PROTECT THE SECURITY. Beneficiary shall have all rights, power and authority to institute and maintain such suits and proceedings as it may deem expedient (a) to prevent any impairment of the Security or Rents or prejudice to any interest or right of Beneficiary, (b) to preserve or protect its interest in the Security and in the Rents, and (c) to restrain or enjoin the enforcement of or compliance with any governmental legislation, regulation, or order if the enforcement of or compliance with such legislation, regulation, or order would impair the Security or Rents or be prejudicial to any interest or right of Beneficiary.

16. DAMAGE TO SECURITY. Trustor shall give Beneficiary and Trustee prompt notice in writing of any damage to or destruction of the Security. If any Security is damaged or destroyed, Trustor shall, at its cost and expense, repair or restore said Security materially consistent with the original plans and specifications. Such work or repair shall be commenced within one hundred twenty (120) days after the damage or loss occurs and shall be completed within one year thereafter. All insurance proceeds collected for such damage or destruction shall be applied to the cost of such repairs or restoration and, if such insurance proceeds shall be insufficient for such purpose, Trustor shall make up the deficiency.

17. TITLE. Trustor warrants that Trustor lawfully has legal title to the Security without any limitation on the right to encumber other than those limitations set forth in the Amended County HOME-ARP Loan Documents.

18. GRANTING OF EASEMENTS. Trustor may not grant easements, licenses, rights-of-way or other rights or privileges in the nature of easements with respect to the Security except those required or desirable for installation and maintenance of public utilities including water, gas, electricity, sewer, cable television, telephone, or those required by law.

19. TAXES AND LEVIES. Trustor shall be responsible for payment of all fees, assessments, taxes, charges, and levies imposed by any public authority or utility company with respect to the Property or the Project, and shall pay such charges prior to delinquency. However, Trustor shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings, and (b) if requested by Beneficiary, Trustor deposits with Beneficiary any funds or other forms of assurance Beneficiary in good faith from time to time determines appropriate to protect Beneficiary from the consequences of the contest being unsuccessful.

20. INSURANCE. Trustor shall provide such insurance as required under the Amended County HOME-ARP Loan Documents. In the event Trustor fails to maintain the full insurance coverage required by this Amended and Restated County HOME-ARP Loan Deed of Trust and the other Amended County HOME-ARP Loan Documents, Beneficiary, after at least seven business days' prior notice to Trustor, may, but shall be under no obligation to, take out the required policies of insurance and pay the premiums on such policies. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of indebtedness as specified in the County HOME-ARP Loan Note and County HOME Loan Note (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall

become an additional obligation of Trustor to Beneficiary and shall be secured by this Amended and Restated County HOME-ARP Loan Deed of Trust.

21. CONDEMNATION. Subject to the rights of any senior lienholders, all judgments, awards of damages, settlements and compensation made in connection with or in lieu of taking all or any part of or interest in the Security under assertion of the power of eminent domain ("Condemnation Funds") are hereby assigned to and shall be paid to Beneficiary. Beneficiary is authorized (but not required) to collect and receive any Funds and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as Beneficiary shall determine at its sole option. All or any part of the Funds so collected and recovered by Beneficiary may be released to Trustor upon such conditions as Beneficiary may impose in Beneficiary's sole discretion. Application of all or any part of the Funds collected and received by Beneficiary or the release thereof shall not cure or waive any Event of Default under this Amended and Restated County HOME-ARP Loan Deed of Trust or any of the other the Amended County HOME-ARP Loan Documents.

Notwithstanding anything to the contrary set forth herein, Beneficiary shall, prior to the application of the Funds or any portion thereof to the indebtedness or other obligations, apply such portion of the Funds as is reasonable and necessary to repair and preserve the value, marketability and rentability of the Security. Trustor shall have the right to rebuild repair or restore the Security and to use all available Funds therefor, provided that (a) such Funds are sufficient to keep the all loans encumbering the Property in balance and rebuild repair or restore the Security in a manner that provides adequate security to Beneficiary for repayment of the County HOME-ARP Loan or, if such Funds are insufficient or such security is inadequate, then Trustor shall have funded any deficiency and/or provided additional security; (b) Beneficiary shall have the right to approve plans and specifications for any rebuild, repair or restoration and the right to require that disbursement of insurance proceeds and Funds for rebuilding repairing or restoring be placed in a construction escrow or similar arrangement subject to Beneficiary's approval; and (c) no Event of Default then exists under the Amended County HOME-ARP Loan Documents other than any default which is a direct result of the condemnation.

22. ACCELERATION ON TRANSFER OF SECURITY; ASSUMPTION. In the event that Trustor, without the prior written consent of the Beneficiary, sells, transfers, or conveys, or agrees to sell, transfer or convey, its interest in the Security or any part thereof or interest therein, Beneficiary may at its option declare all sums secured by this Amended and Restated County HOME-ARP Loan Deed of Trust to be immediately due and payable. This option shall not apply in case of:

A. The grant of a leasehold interest to tenants who will occupy the HOME-ARP Assisted Unit as provided for under the County HOME-ARP Loan Agreement;

B. Sale or transfer of personal property pursuant to the grant provisions in this County Amended and Restated HOME-ARP Loan Deed of Trust. Consent to one sale or transfer shall not be deemed to be a waiver of the right to require such consent to future or successive transactions;

23. RECONVEYANCE BY TRUSTEE. This trust is intended to continue for the entire term of the HOME-ARP Loan Agreement. Upon written request of Beneficiary stating that all sums secured by this Amended and Restated County HOME-ARP Loan Deed of Trust have been paid and upon surrender of this Amended and Restated County HOME-ARP Loan Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

DEFAULT AND REMEDIES

24. **EVENTS OF DEFAULT.** Any of the events listed in the County HOME-ARP Loan Agreement as an Event of Default shall also constitute an Event of Default under this Amended and Restated County HOME-ARP Loan Deed of Trust.

25. **ACCELERATION OF MATURITY.** Upon the happening of an Event of Default which has not been cured within the time and in the manner provided in the County HOME-ARP Loan Agreement, if subject to cure, Beneficiary may declare all sums advanced to Trustor under the Notes and this County Amended and Restated HOME-ARP Loan Deed of Trust immediately due and payable.

26. **BENEFICIARY'S REMEDIES.** Upon the happening of an Event of Default which has not been cured within the time and in the manner provided in the County HOME-ARP Loan Agreement, if subject to cure, Beneficiary may, in addition to other rights and remedies permitted by the County HOME-ARP Loan Agreement, the Notes, or Applicable Law, proceed with any or all of the following remedies:

A. Enforce the assignment of Rents and right to possession as provided for in this Amended and Restated County HOME-ARP Loan Deed of Trust, and/or seek appointment of a receiver to take over possession of the Security and collect Rents;

B. Enter the Security and take any actions necessary in its judgment to complete construction on the Security, either in person or through a receiver appointed by a court;

C. Advance any amount necessary to cure any monetary Event of Default under this Amended and Restated County HOME-ARP Loan Deed of Trust, the County HOME-ARP Loan Agreement, or the Notes;

D. Commence an action to foreclose this Amended and Restated County HOME-ARP Loan Deed of Trust pursuant to California Code of Civil Procedure Section 725a et seq., as amended, and/or seek appointment of a receiver from a court of competent jurisdiction with the authority to protect Beneficiary's interests in the Security, including the authority to complete construction of improvements;

E. Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Security to be sold and exercise its power of sale as provided for below; and/or

F. Pursue any other rights and remedies allowed at law or in equity.

27. **FORECLOSURE BY POWER OF SALE.** Should Beneficiary elect to foreclose by exercise of the power of sale contained in this Amended and Restated County HOME-ARP Loan Deed of Trust, Beneficiary shall notify Trustee and shall deposit with Trustee this Amended and Restated County HOME-ARP Loan Deed of Trust (the deposit of which shall be deemed to constitute evidence that the unpaid sums disbursed under the Notes are immediately due and payable), and such receipts and evidence of any advances made that are additionally secured hereby as Trustee may require.

Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and election to sell as then required by law and by this Amended and Restated County HOME-ARP Loan Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Security, at the time and

place of sale fixed by it in said notice of sale, whether as a whole or in separate lots or parcels or items as Trustee shall deem expedient and in such order as it may determine unless specified otherwise by Trustor, at public auction to the highest bidder for cash or credit in lawful money of the United States payable at the time of sale. Trustee shall deliver to the purchaser its deed or deeds conveying the Security so sold, but without any covenant or warranty, express or implied. Any person, including, without limitation, Trustor, Trustee, or Beneficiary, may purchase at the sale.

Trustee may postpone the sale of all or any portion of the Security by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.

28. APPLICATION OF SALE PROCEEDS. After deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the proceeds of sale as follows: first, to the payment of all sums then secured by this Amended and Restated County HOME- ARP Loan Deed of Trust, in such order and amounts as Beneficiary in its sole discretion determines; and second, the remainder, if any, to the person or persons legally entitled thereto.

29. REMEDIES CUMULATIVE. No right, power or remedy conferred upon or reserved to Beneficiary by this Amended and Restated County HOME-ARP Loan Deed of Trust is intended to be exclusive of any other rights, powers or remedies, but each such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

GENERAL PROVISIONS

30. GOVERNING LAW. This Amended and Restated County HOME-ARP Loan Deed of Trust shall be interpreted under and governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

31. STATEMENT OF OBLIGATION. Beneficiary may collect a fee not to exceed the maximum allowable under applicable law for furnishing a statement of obligations as provided in the California Civil Code.

32. CONSENTS AND APPROVALS. Any consent or approval of Beneficiary required under this Amended and Restated County HOME-ARP Loan Deed of Trust shall not be unreasonably withheld.

33. TIME. Time is of the essence in this Amended and Restated County HOME-ARP Loan Deed of Trust.

34. NOTICES, DEMANDS AND COMMUNICATIONS. Formal notices, demands and communications between Trustor and Beneficiary shall be sufficiently given and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of Trustor and Beneficiary as follows:

BENEFICIARY: County of Santa Barbara
Housing and Community Development
123 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel

County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101

TRUSTOR:

Good Samaritan Shelter
245 Inger Street, Suite 103B
Santa Maria, CA 93454
Attn: Executive Director

35. **BINDING UPON SUCCESSORS; NO ASSIGNMENT.** All provisions of this Amended and Restated County HOME-ARP Loan Deed of Trust shall be binding upon and inure to the benefit of the permitted successors-in-interest, transferees, and assigns of Trustor, Trustee, and Beneficiary; provided, however, that Trustor shall not assign or otherwise transfer, whether by operation of law or otherwise, this Amended and Restated County HOME-ARP Loan Deed of Trust, or any of Trustor's rights or obligations hereunder, without the prior written consent of Beneficiary in each instance.

36. **WAIVER.** No waiver by Beneficiary of any obligation of Trustor in this Amended and Restated County HOME-ARP Loan Deed of Trust shall be effective unless in writing duly executed by Beneficiary. No waiver shall be implied from any delay or failure by Beneficiary to take action on any breach or Event of Default of Trustor, or to pursue any remedy allowed under the Amended and Restated County HOME-ARP Loan Deed of Trust, the other Amended County HOME-ARP Loan Documents, or Applicable Law. Any extension of time granted to Trustor to perform any obligation under this Amended and Restated County HOME-ARP Loan Deed of Trust shall not operate as a waiver or release Trustor from any of its obligations under this Amended and Restated County HOME-ARP Loan Deed of Trust. Consent by Beneficiary to any act or omission by Trustor shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's written consent to future waivers.

37. **AMENDMENTS AND MODIFICATIONS.** No amendment or modification to this Amended and Restated County HOME-ARP Loan Deed of Trust shall be effective unless in writing duly executed by both Beneficiary and Trustor.

38. **LOAN AGREEMENT CONTROLS.** If there is any contradiction between this Amended and Restated County HOME-ARP Loan Deed of Trust and the county HOME-ARP Loan Agreement, the terms of the County HOME-ARP Loan Agreement shall control, except that Trustor shall have no defense or claim that this Amended and Restated County HOME-ARP Loan Deed of Trust does not establish a valid lien on the Property or the Security.

39. **DEFINITIONS.** Capitalized terms used but not defined in this Amended and Restated County HOME-ARP Loan Deed of Trust shall have the respective meanings ascribed to such terms in the County HOME-ARP Loan Agreement.

40. **PROOFS OF CLAIM.** In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, recomposition or other proceedings affecting Trustor, its creditors or its property, Trustee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Beneficiary allowed in such proceedings and for any additional amount which may become due and payable by Trustor hereunder after such date.

41. **SEVERABILITY.** Every provision of this Amended and Restated County HOME-ARP Loan Deed of Trust is intended to be severable in the event that any term or provision of this Amended

and Restated County HOME-ARP Loan Deed of Trust is declared to be illegal, invalid, or unenforceable by a court of competent jurisdiction, in which case, the legality, validity, and enforceability of the remaining provisions shall not be affected. If the lien of this Amended and Restated County HOME-ARP Loan Deed of Trust is invalid or unenforceable as to any part of the Trustor's indebtedness or the Trustor's obligations secured thereby, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the Trustor's indebtedness and all payments made on the indebtedness (whether voluntary or under foreclosure or other enforcement action or procedure) shall be considered to have been first paid or applied to the payment of that portion of the indebtedness which is not secured or partially secured by the lien of this Amended and Restated County HOME-ARP Loan Deed of Trust.

42. **SUBSTITUTION OF TRUSTEES.** Beneficiary may from time to time appoint another trustee to act in the place and stead of Trustee or any successor. Upon such appointment and without conveyance, the successor trustee shall be vested with all title, powers, and duties conferred upon Trustee.

43. **ACCEPTANCE BY TRUSTEE.** Trustee accepts this trust when this Amended and Restated County HOME-ARP Loan Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of pending sale under this Amended and Restated County HOME-ARP Loan Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

44. This Section intentionally left blank.

45. **NONRECOURSE.** Except as expressly provided in this Section 45, the Trustor, and the Trustor's officers, directors, employees and agents shall not have any direct or indirect personal liability for payment of the principal of, or interest on, the Notes. The sole recourse of the Beneficiary with respect to the principal of, or interest on, the Notes shall be to the property securing the indebtedness evidenced by this Amended and Restated County HOME-ARP Deed of Trust. However, nothing contained in the foregoing limitation of liability shall (i) limit or impair the enforcement against all such security for the Notes of all the rights and remedies of the Beneficiary, or (ii) be deemed in any way to impair the right of the Beneficiary to assert the unpaid principal amount of the Notes as demand for money within the meaning and intent of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

The foregoing limitation of liability is intended to apply only to the obligation for the repayment of the principal of, and payment of interest on the Notes, except as hereafter set forth; nothing contained herein is intended to relieve the Trustor of personal liability to the extent of actual damages for (i) Trustor's fraud or willful misrepresentation; (ii) the failure to pay taxes, assessments or other charges (which are not contested by the Trustor in good faith) which may create liens on the Property that are payable or applicable prior to any foreclosure under the Amended and Restated County HOME-ARP Loan Deed of Trust (to the full extent of such taxes, assessments or other charges); (iii) the fair market value of any personal property or fixtures removed or disposed of by the Trustor other than in accordance with the Amended and Restated County HOME-ARP Loan Deed of Trust; (iv) the material misapplication of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Property; (v) the Trustor's indemnification obligations under the County HOME-ARP Loan Agreement; and (vi) payment to the Beneficiary of any rental income or other income arising with respect to the Property received by the Trustor after the Beneficiary has given notice to the Trustor of the occurrence of an Event of Default and after the expiration of all applicable notice and cure periods, subject to the rights of any lender providing a loan secured by the Property to which the Beneficiary has subordinated the Amended

and Restated County HOME-ARP Loan Deed of Trust.

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

IN WITNESS WHEREOF, Trustor has executed this Amended and Restated County HOME-ARP Loan Deed of Trust as of the day and year first above written.

TRUSTOR:

GOOD SAMARITAN SHELTER, a California nonprofit public benefit corporation

By: _____
Sylvia Barnard
Executive Director

[TRUSTOR'S SIGNATURE MUST BE ACKNOWLEDGED]

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 Santa Barbara

On _____ before me, _____, Notary Public, personally appeared _____ 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)

EXHIBIT A

Real property in the City of Santa Maria, County of Santa Barbara, State of California, described as follows:

LOT 127 OF COUNTRY CLUB GARDENS, TRACT NO. 5118 IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 93, PAGES 10 THROUGH 16, INCLUSIVE, OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SANTA BARBARA COUNTY. ALSO EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBON SUBSTANCES, BY WHATEVER NAME KNOWN, THAT MAY BE WITHIN OR UNDER SAID LAND, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFOR AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 500 FEET OF THE SUBSURFACE OF SAID LAND, AS RESERVED BY CAREY MORRISON, ET AL., IN DEEDS RECORDED IN BOOK 2482, PAGE 294 AND PAGE 301 OF OFFICIAL RECORDS OF SANTA BARBARA COUNTY.

EXHIBIT D

AMENDED AND RESTATED COUNTY HOME-ARP LOAN REGULATORY AGREEMENT

NO FEE DOCUMENT

**Recording requested by and
When recorded, mail to:**

County of Santa Barbara
Housing and Community Development
123 East Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

NO FEE DOCUMENT PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 27383

**AMDND AND RESTATED COUNTY HOME-ARP LOAN REGULATORY
AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS**

This Amended and Restated County HOME-ARP Loan Regulatory Agreement and Declaration of Restrictive Covenants (this “Agreement”) is made as of this 4th day of April, 2023, by and between the County of Santa Barbara, a political subdivision of the State of California (the “Lender” or “County”), and Good Samaritan Shelter, a California nonprofit public benefit corporation (the “Owner” or “Borrower” and, together with the County, collectively, the “Parties” and each individually a “Party”).

RECITALS

A. The Owner owns a parcel of real property located at 2723 Marlberry Street, in Santa Maria, California, as more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the “Property”), which the Owner intends to provide as housing targeted to serving formerly homeless veterans who qualify as HOME-ARP Qualifying Populations pursuant to the October 10, 2021, Federal Register Notice 86 FR 56764, *Waivers and Alternative Requirements for Implementation of the HOME American Rescue Plan (HOME-ARP) Program* (the “Project”).

B. The Lender has received HOME-ARP Investment Partnerships Program funds, and HOME funds from the United States Department of Housing and Urban Development (“HUD”) pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990 for the purpose of expanding the supply of decent, safe, sanitary and affordable housing for low-income persons and families (collectively, “HOME-ARP Funds”).

C. On March 21, 2023, Lender extended to Borrower a HOME-ARP loan in the total amount of Four Hundred Thousand Dollars (\$400,000) (the “County HOME-ARP Loan”), evidenced by that certain County HOME-ARP Loan Agreement dated March 21, 2023, as amended by that certain First Amendment to County HOME-ARP Loan Agreement dated as of the date hereof (as amended, “County HOME-ARP Loan Agreement”), a County HOME-ARP Promissory Note dated March 21, 2023, in the

original principal amount of Four Hundred Thousand Dollars (\$400,000), executed by Borrower in favor of Lender (“HOME-ARP Loan Note”), secured by a Deed of Trust (“County HOME-ARP Deed of Trust”), and subject to that certain County HOME-ARP Loan Regulatory Agreement and Declaration of Restrictive Covenants (“County HOME-ARP Loan Regulatory Agreement”).

D. Borrower has requested additional funds in order to complete the Project, and Lender desires to lend to Borrower an additional \$100,000 in HOME Entitlement Funds from the United States Department of Housing and Urban Development, pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990, for the purpose of expanding the supply of decent, safe, sanitary and affordable housing for low-income persons and families (“HOME Funds”).

E. Concurrently herewith, the Parties are memorializing the addition of the HOME Funds to the County HOME-ARP Loan, and the resultant increase of \$100,000 in the total amount of the County HOME-ARP Loan, by entering into a First Amendment to the County HOME-ARP Loan Agreement, a HOME Promissory Note in the original principal amount of One Hundred Thousand Dollars (\$100,000), executed by Borrower in favor of Lender (“HOME Note”), Amending and Restating the County HOME-ARP Deed of Trust (“Amended and Restated County HOME-ARP Deed of Trust”), and entering into this Agreement.

F. As further consideration for the County HOME-ARP Loan, as increased by the HOME Funds, the Owner has agreed to enter into and record this Agreement. The purpose of this Agreement is to regulate and restrict the occupancy, rents, operation, ownership, and management of the Project. The covenants in this Agreement are intended to run with the land and be binding on the Owner and its successors and assigns with respect to the Property.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, and in further consideration for the aforementioned County HOME-ARP Loan, as amended, the Owner and the Lender hereby agree as follows:

1. DEFINITIONS

All initially capitalized terms used but not defined in this Agreement shall have the definition ascribed to such terms in the County HOME-ARP Loan Agreement and First Amendment to County HOME-ARP Loan Agreement. Some of the following terms are defined in the County HOME-ARP Loan Agreement, and as amended, and repeated here for convenience of reference.

1.1 “**ANNUAL INCOME**” means the definition of Annual Income as more particularly defined at 24 CFR 5.609.

1.2 “**AREA MEDIAN INCOME**” means the area median income for the Santa Maria-Santa Barbara Metropolitan Statistical Area, with adjustments for household size, as determined from time to time by HUD pursuant to the United States Housing Act of 1937, as amended, or such other method of median income calculation applicable to the Lender that HUD may hereafter adopt in connection with said Act.

1.3 **“COORDINATED ENTRY SYSTEM”** means the information system utilized by Lender under the Continuum of Care for coordinating, prioritizing and insuring to the greatest extent possible non-duplication of homeless programs and services, which accordingly identifies the most vulnerable homeless persons and households, and serves as basis to inform priority provision of the Project as a HOME-ARP Assisted Unit to Qualifying Populations, defined below.

1.4 **“COUNTY HOME-ARP LOAN”** means the loan of HOME-ARP Funds in the amount of Five Hundred Thousand Dollars (\$500,000) made by the Lender to the Owner to finance acquisition and improvement costs of the Project pursuant to the County HOME-ARP Loan Agreement, as amended, and the County HOME-ARP Loan Note and HOME Note.

1.5 **“COUNTY HOME-ARP LOAN AGREEMENT”** means that certain County HOME-ARP Loan Agreement by and between the Owner and the Lender dated March 21, 2023, as amended by that certain First Amendment to County HOME-ARP Loan Agreement dated on or about the date hereof, setting forth the terms and conditions governing the County HOME-ARP Loan.

1.6 **“AMENDED AND RESTATED COUNTY HOME-ARP LOAN DEED OF TRUST”** means that certain deed of trust, assignment of rents, and security agreement dated on or about the date hereof recorded against the Property and the improvements to be constructed thereon as security for the County HOME-ARP Loan and the Notes, with the Owner as trustor and the Lender as beneficiary, as well as any amendments to, modifications of, and restatements of said deed of trust.

1.7 **“COUNTY HOME-ARP LOAN DOCUMENTS”** means, collectively, the County HOME-ARP Loan Agreement, the County HOME-ARP Loan Note and HOME Note evidencing the County HOME-ARP Loan, the Amended and Restated County HOME-ARP Loan Deed of Trust securing the Notes, and this Agreement, as such documents may be amended, modified, or restated from time to time, along with all exhibits and attachments hereto and thereto.

1.8 **“COUNTY HOME-ARP LOAN NOTE”** means the promissory note executed by the Owner in favor of the Lender and dated on or about March 21, 2023, in the original principal amount of Four Hundred Thousand Dollars (\$400,000) evidencing the portion of the County HOME-ARP Loan comprised of HOME-ARP Funds, which is secured by the Amended and Restated County HOME-ARP Loan Deed of Trust, as well as any amendments to, modifications of, or restatements of said promissory note.

1.9 **“HOME NOTE”** means the promissory note executed by the Owner in favor of the Lender and dated on or about the date hereof in the amount of One Hundred Thousand Dollars (\$100,000) evidencing the portion of the County HOME-ARP Loan comprised of HOME funds, which is secured by the Amended and Restated County HOME-ARP Loan Deed of Trust, as well as any amendments to, modifications of, or restatements of said promissory note.

1.10 **“GRANT AND PER DIEM PROGRAM”** means the financial assistance program pursuant to the United States Department of Veterans Affairs, which provides a per-diem daily amount of financial assistance to Veterans in supportive housing, of which per diem pays for rent, Project operations, case management and supportive services for Tenants of the Project.

1.11 **“HOME-ARP-ASSISTED UNIT”** means the 5-bedroom group home Project located at 2723 Marlberry Street, in the City of Santa Maria, which is subject to the requirements of this Agreement. The HOME-ARP-Assisted Unit must be occupied, or reserved for occupancy, by HOME-ARP Qualifying Households, except that one bedroom may be occupied by a house manager.

1.12 **“NOTES”** means the County HOME-ARP Loan Note and the HOME Note, collectively.

1.13 **“LENDER”** is the County of Santa Barbara, a political subdivision of the State of California, and its authorized representatives, officers, officials, directors, employees, and agents.

1.14 This section intentionally left blank.

1.15 **“OWNER”** means Good Samaritan Shelter, a California nonprofit public benefit corporation.

1.16 **“PROJECT”** means the construction, operation and management of the Property and the improvements to be constructed thereon according to the terms of the County HOME-ARP Loan Agreement.

1.17 **“PROPERTY”** means the real property located at 2723 Marlberry Street, in Santa Maria, California as more particularly described in Exhibit A attached hereto and incorporated herein, including the improvements constructed thereon pursuant to the County HOME-ARP Loan Agreement.

1.18 **“QUALIFYING HOUSEHOLD”** means a household that qualifies as meeting the definition of a Qualifying Population pursuant to the October 10, 2021, Federal Register Notice 86 FR 56764, *Waivers and Alternative Requirements for Implementation of the HOME American Rescue Plan (HOME-ARP) Program*. A Qualifying Household who meets the definition of Veteran must be given a preference to be first considered for a vacancy or may be moved to the top of a waiting list, if applicable. “Veteran” is defined as the Head of Household or Spouse who has served in active duty in the United States Armed Forces for a minimum of six (6) continuous months, and if separated from military service, received other than dishonorable discharge. The veteran preference will also be given to a surviving spouse or registered domestic partner of a deceased veteran, as defined herein. Verification of veteran status will be by the submittal of a copy of the veteran's DD-214.

1.19 **“QUALIFYING RENT”** means the Fair Market Rent (FMR) for the number of bedrooms in the Property, except that, if one bedroom is occupied by a house manager, then the house manager’s bedroom is not included in the total bedroom count. Rent includes utilities, but

does not include food or cost of any supportive services provided. Each household, except the house manager household, will pay its proportional share of the total unit rent.

1.20 “**TENANT**” means a household meeting the definition of a “Qualifying Household” occupying the HOME-ARP Assisted Unit.

1.21 “**TERM**” means the period of time during which the HOME-ARP-Assisted Unit must meet the affordability requirements imposed under the HOME-ARP Program, commencing upon project completion in conformance with 24 CFR 92.2 and 24 CFR 92.252(e), and terminating on the date that is six months after the date that is twenty (20) years after the date of issuance of a notice of completion for the Project (“Notice of Completion”).

1.22 “**VERY LOW-INCOME HOUSEHOLD**” means a household, as defined in 24 CFR 92.2, whose annual income does not exceed fifty percent (50%) of the Area Median Income with adjustments for household size.

2. TERM AND COMPLIANCE

2.1 COMPLIANCE WITH COUNTY HOME-ARP LOAN DOCUMENTS. The Owner’s actions with respect to the Property and the use of funds from the County HOME-ARP Loan shall at all times be in full conformity with all of the requirements of the County HOME-ARP Loan Documents, including, but not limited to, the insurance requirements contained herein and therein.

2.2 TERM OF AGREEMENT. This Agreement shall commence upon Project completion in conformance with 24 CFR 92.2 and 24 CFR 92.252(e), and terminate on the date that is six months after the date that is twenty (20) years after the date of issuance of a notice of completion for the Project. The requirements of this Agreement shall apply throughout the Term without regard to the term of any loan or mortgage, or any transfer of ownership of the Property.

2.3 COMPLIANCE WITH PROGRAM REQUIREMENTS. At all times during the Term, the Owner shall comply with all requirements applicable to the Owner and/or the Project as a project assisted under the HOME-ARP Program, as such HOME-ARP Program requirements may be amended from time to time.

3. PROJECT OCCUPANCY AND RENTS

3.1 OCCUPANCY OF PROJECT. The HOME-ARP Assisted Unit shall be occupied, or reserved for occupancy, by Qualifying Household(s) who are formerly homeless veterans.

3.2 HOME-ARP ASSISTED UNIT. The Owner shall limit, for the full Term of this Agreement, the rental of the HOME-ARP Assisted Unit to Qualifying Households at Qualifying Rents that do not exceed the maximum rental charges for each HOME-ARP Assisted Unit as set forth herein. Each of the Tenants of the HOME-ARP Assisted Unit shall be provided with access and enjoyment of all common areas and facilities of the Project on the same basis.

3.3 MAXIMUM RENTAL CHARGES.

A. Maximum rental charges for the HOME-ARP Assisted Unit shall not exceed the Qualifying Rent, as defined above.

B. The Qualifying Rent for each HOME-ARP Assisted Unit bedroom shall be set by the Lender at the time of initial occupancy of the Project. Annual increases in Qualifying Rents shall be calculated based on the change in allowable rents as published annually by HUD for the HOME-ARP Assisted Unit.

3.4. OCCUPANCY DEADLINES.

Owner shall ensure that each of the HOME-ARP-Assisted Units is occupied by a Qualifying Household in accordance with the deadlines for occupancy set forth at 24 CFR 92.252. Each of the HOME-ARP Assisted Units shall be occupied by a Qualifying Household within six (6) months from Owner securing a Notice of Completion or final Certificate of Occupancy for the Project. In the event that each HOME-ARP-Assisted Unit is not occupied by a Qualifying Household on the date that is six (6) months after the date of the issuance of a Notice of Completion or final Certificate of Occupancy, Owner shall submit to Lender within ten (10) days a detailed record of Owner's marketing efforts, and shall comply with Lender's requests for additional information pertaining to such marketing efforts. Absent a Notice of Completion or final Certificate of Occupancy when not required by the local building official, the commencement date will begin on the date that the Project is fully occupied as evidenced by inspection by the County. In the event that any HOME-ARP Assisted Unit is not occupied by a Qualifying Household within eleven (11) months after the date of the issuance of the Notice of Completion, such occurrence shall constitute an Event of Default. On or before the last day of the eleventh (11th) month after the date of the issuance of the Notice of Completion, Owner shall deliver to Lender written notice of such Event of Default, and shall have thirty (30) days to cure such Event of Default, and shall cure such Event of Default before the last day of the 12th month after the date of the issuance of the Notice of Completion.

Notwithstanding any other provision of this Amended and Restated County HOME-ARP Regulatory Agreement, or of any provision of any other County HOME-ARP Loan Document, as amended, to the contrary, Owner shall immediately repay to Lender, upon Lender's request, all HOME-ARP Funds invested in HOME-ARP Assisted Units that are not rented to eligible Qualifying Households within 12 months of Project Completion.

3.5 INCOME CERTIFICATION.

The Annual Income levels and other qualifications of applicants for the HOME-ARP Assisted Units shall be certified by Owner no earlier than six (6) months prior to the Qualifying Household's expected occupancy of the HOME-ARP Assisted Unit and recertified annually, in compliance with 24 CFR 92.203. Pursuant to the October 10, 2021, Federal Register Notice 86 FR 56764, *Waivers and Alternative Requirements for Implementation of the HOME American Rescue Plan (HOME-ARP) Program*, initial income certification of Qualifying Households, shall be used to determine the portion of the Qualifying Household's 30% portion of payment toward rent. As the household is de facto is a member of one on the HOME-ARP defined Qualifying Populations as incorporated into Section IV, of Federal Register Notice 86 FR 56764, and

evidenced by referral through the Coordinated Entry System, the tenant's definition as such enables occupancy of the HOME-ARP Assisted Unit.

A. Initial Annual Income Verification. Before the Qualifying Household occupies the HOME-ARP-Assisted Unit, the Owner shall verify that the Annual Income calculated in an Annual Income certification is accurate by taking both of the following steps as a part of the verification process:

- (1) Third Party Verification: All third parties (e.g., employer, Social Security Administration, public assistance agency, etc.) are contacted in writing to obtain written verification of Annual Income; and
- (2) Review of Documents: The Qualifying Household provides documents verifying their Annual Income (e.g., pay stubs, tax returns, etc.), which are to then be retained in the Project files.

B. Annual Income Recertification. At the time of lease renewal or pursuant to an annual schedule adopted by the Owner, and no later than the one-year anniversary of the initial Annual Income verification and annually thereafter, Owner shall recertify the Annual Income of each Tenant occupying a HOME-ARP Assisted Unit using the method as described in Section 3.5.A, above. Each subsequent year during the HOME-ARP compliance period, starting year one (1) after initial occupancy, Owner must use the definition of annual income as defined in 24 CFR 5.609.

4. LEASING THE PROJECT

4.1 **TENANT LEASES.** The Owner shall execute a written lease with the Tenant(s) of each of the HOME-ARP Assisted Units for a term of at least one year, unless the Owner and the Tenant mutually agree to a shorter period; provided, however, that such lease may not be for a period less than thirty (30) days. The form of Tenant Lease used by Owner for the HOME-ARP Assisted Units, and all changes thereto, shall be subject to Lender's prior written approval.

A. The Owner shall include in each lease for each HOME-ARP Assisted Unit provisions which provide that a Qualifying Household is subject to annual certification of Annual Income, and that the tenancy of the Qualifying Household shall be terminated as soon as possible in accordance with state law should one or more of the Qualifying Household's members misrepresent any material fact regarding the Qualifying Household's qualification as a Very Low-Income Household. The Owner shall include in all leases for each HOME-ARP Assisted Unit provisions which prohibit the Qualifying Household from subleasing the HOME-ARP Assisted Unit.

B. In addition to executing a lease for each HOME-ARP Assisted Unit, the Owner shall require that each Qualifying Household leasing a HOME-ARP-Assisted Unit execute a declaration of intent to occupy, which shall require the Qualifying Household to occupy the HOME-ARP-Assisted Unit as the Qualifying Household's primary residence.

C. No lease for any of the HOME-ARP Assisted Unit shall contain any of the prohibited provisions identified at 24 CFR §92.253(b), including the following:

1. *Agreement to be sued.* Agreement by the Tenant to be sued, to admit guilt, or to a judgment in favor of the Owner in a lawsuit brought in connection with the lease;

2. *Treatment of property.* Agreement by the Tenant that the Owner may take, hold or sell personal property of Qualifying Household members without notice to the Tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the Tenant concerning disposition of personal property remaining in the HOME-ARP Assisted Unit after the Tenant has moved out of the HOME-ARP Assisted Unit. The Owner may dispose of this personal property in accordance with State law;

3. *Excusing Owner from responsibility.* Agreement by the Tenant not to hold the Owner or the Owner's agents legally responsible for any action or failure to act, whether intentional or negligent;

4. *Waiver of notice.* Agreement of the Tenant that the Owner may institute a lawsuit without notice to the Tenant;

5. *Waiver of legal proceedings.* Agreement by the Tenant that the Owner may evict the Tenant or Qualifying Household members without instituting a civil court proceeding in which the Tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

6. *Waiver of a jury trial.* Agreement by the Tenant to waive any right to a trial by jury;

7. *Waiver of right to appeal court decision.* Agreement by the Tenant to waive the Tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and

8. *Tenant chargeable with cost of legal actions regardless of outcome.* Agreement by the Tenant to pay attorney's fees or other legal costs even if the Tenant wins in a court proceeding by the Owner against the Tenant. The Tenant, however, may be obligated to pay costs if the Tenant loses.

9. *Mandatory support services.* Agreement by the Tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

D. Owner shall not terminate the tenancy or refuse to renew the lease of a Tenant of a HOME-ARP Assisted Unit except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; or for other good cause. To terminate or refuse to renew the tenancy, the Owner shall serve written notice upon the Tenant specifying the grounds for the action at least thirty (30) days prior to termination of tenancy.

E. Owner shall comply with all requirements of the Violence Against Women Act (VAWA) set forth in 24 CFR part 5, subpart L. Owner shall provide the notice and certification form described in 24 CFR 5.2005(a) to an applicant for the HOME-ARP Assisted Unit at the time the applicant is admitted to the HOME-ARP Assisted Unit, or denied admission to the HOME-ARP Assisted Unit based on the Owner's tenant selection policies and criteria. Owner shall further provide the notice and certification form described in 24 CFR 5.2005 with any notification

of eviction from the HOME-ARP Assisted Unit. If a family living in the HOME-ARP Assisted Unit separates under 24 CFR 5.2009(a), the remaining tenant(s) may remain in the Unit. All leases for the HOME-ARP Assisted Unit must include a VAWA lease term/addendum to incorporate all requirements that apply to the Owner or lease under 24 CFR part 5, subpart L, and 24 CFR 92.359, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c). The VAWA lease term/addendum must also provide that the tenant may terminate the lease without penalty if it is determined that the tenant has met the conditions for an emergency transfer under 24 CFR 5.2005(e). The lease term/addendum must require the Owner to notify the participating jurisdiction before the owner bifurcates the lease or provides notification of eviction to the tenant. Owner shall comply with all other VAWA requirements applicable to the HOME-ARP program not specified herein.

F. Owner and Lender shall work together to comply with the requirements of the Coordinated Entry System under the Continuum of Care program, as set forth at 24 CFR Part 578, PIH Notice 2013-15 and other guidance from HUD on CoC and PHA collaboration. The Coordinated Entry System will refer Qualifying Households to the Project for consideration of tenancy at the Project.

4.2 TENANT SELECTION. Before leasing any HOME-ARP Assisted Unit, the Owner shall provide to Lender for its review and approval the Owner's written tenant selection plan. HOME-ARP Assisted Unit tenant selection will be coordinated and referred to Owner for Qualifying Populations under the CoC Coordinated Entry System and must, at a minimum, meet the requirements for tenant selection pursuant to Section IV(C)(2) of HUD September, 13, 2021 CPD Notice 21-10, *Requirements for the Use of Funds in the HOME American Rescue Plan Act*, and any modifications thereto. A Veteran's preference must be applied as described above. Any changes to the tenant selection plan require prior written approval from Lender.

4.3 SECTION 8 CERTIFICATE HOLDERS. The Owner shall accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. The Owner shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor shall the Owner apply or permit the application of management policies or lease provisions with respect to the Project which have the effect of precluding occupancy of HOME-ARP Assisted Unit by such prospective Tenants.

4.4 This Section Left Intentionally Blank.

4.5 NONDISCRIMINATION. The Owner shall not discriminate or segregate in the use, enjoyment, occupancy, conveyance, lease, sublease, or rental of the HOME-ARP Assisted Unit on the basis of race, color, ancestry, national origin, religion, sex, gender, gender identity or expression, sexual preference, age, marital status, family status, source of income, military or veteran status, physical or mental disability, medical condition, genetic information, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), or any basis prohibited by law. The Owner shall include a statement in all advertisements, notices and signs for the availability of Units for rent to the effect that the Owner is an Equal Housing Opportunity Provider.

4.6 MARKETING PLAN. Pursuant to the September 13, 2021, HUD CPD Notice CPD-21-10, *Requirements for the Use of Funds in the HOME American Rescue Plan Act*, Section 10(a)(ii)(1): “For HOME-ARP units for Qualifying Households, a market assessment is not required. Rather the Owner can demonstrate that there is an unmet need among Qualifying Populations for the type of housing proposed through their gap analysis, Continuum of Care (CoC), data, public housing and affordable housing waiting lists, point-in-time surveys, housing inventory count, or other relevant data on the need for permanent housing for the Qualifying Populations.” The County CoC Coordinated Entry system will provide Owner with referrals for Qualifying Populations and Households for consideration of tenancy.

5. PROPERTY MANAGEMENT

5.1 MANAGEMENT RESPONSIBILITIES. The Owner is responsible for all management functions with respect to the Project, including, without limitation, the selection of Tenants, certification and recertification of Qualifying Household size and Annual Income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The Lender shall have no responsibility with respect to management of the Project. Lender hereby preapproves Owner as the Property Manager for the Project. The Owner may only remove and/or replace the Property Manager with the prior written consent of the Lender in each instance, which consent shall not be unreasonably withheld.

5.2 APPROVAL OF MANAGEMENT POLICIES. The Owner shall submit its written management policies with respect to the Project to the Lender for its review and approval, and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this Agreement and the other County HOME-ARP Loan Documents, as amended, the requirements of the existing HOME-ARP Program, as may be amended from time to time, the requirements of Lender, and the requirements of all other lenders providing financing for the Project, to the extent not inconsistent with the provisions of the County HOME-ARP Loan Documents, as amended.

5.3 INSPECTION AND RECORDS. The Owner shall maintain records which clearly document the Owner’s performance of its obligations to operate the Property under the terms of this Agreement and the other County HOME-ARP Loan Documents, as amended. The Owner shall submit all requested records to the Lender within ten (10) business days of the Lender’s request. The Owner shall permit the Lender to enter and inspect the Property for compliance with Owner’s obligations under this Agreement at all reasonable times upon twenty-four (24) hours’ advance notice of such visit by the Lender to the Owner or the Owner’s Property manager. Owner shall include provisions in all tenant leases that allow for County inspections of the HOME-ARP Assisted Units.

5.4 COMPLIANCE MONITORING. At all times during the Term, the Owner shall operate the Property in full compliance with this Agreement and the HOME-ARP Program regulations at 24 CFR Part 92, and the Requirements of the Use of HOME Funds in HOME American Rescue Plan Program cited in HUD CDP Notice: CDP 21-10, September 13, 2021, *Requirements for the Use of Funds in the HOME American Rescue Plan Act*, and as may be amended from time to time. The Owner shall permit the Lender to conduct annual compliance

monitoring, including performing on-site records review and inspections of the Property, as required by regulation or reasonably requested by Lender.

5.5 ANNUAL REPORT. Following recordation of the Notice of Completion issued for the Project, the Owner shall annually submit to the Lender a report in a form approved by Lender for the preceding period of January 1st through December 31st, containing the information requested by Lender so as to allow the Lender to determine the Owner's compliance with this Agreement ("Annual Report"). The Annual Report shall be submitted annually no later than March 1st, and shall include, at a minimum: (i) an Annual Financial Statement as defined in Section 1.2 of the County HOME-ARP Loan Agreement, as amended, (ii) a report on the occupancy of the Project, (iii) a report on the physical condition of the Project, (iv) a report on the general management of the Project, (v) for each HOME-ARP-Assisted Units, the rent, Annual Income, and household size of each household in occupancy. The report shall also state the date the tenancy commenced for each HOME-ARP-Assisted Unit, and such other information as the Lender may be request.

Within thirty (30) days after receipt of a written request, Owner shall submit any other information or completed forms requested by the Lender in order to comply with reporting requirements of the United States Department of Housing and Urban Development, or the State of California, or the Lender. The Lender shall have the right to examine and make copies of all books, records or other documents of Owner which pertain to the Project or any HOME-ARP-Assisted Unit to determine compliance with this Agreement.

5.6 FEES, TAXES, AND OTHER LEVIES. The Owner shall be responsible for payment of all fees, assessments, taxes, charges and levies imposed by any public authority or utility company with respect to the Property, and shall pay such charges prior to delinquency.

5.7 PROPERTY TAX EXEMPTION. The Owner shall not apply for a property tax exemption for the Property under any provision of law other than California Revenue and Taxation Code Section 214(g) without the Lender's prior written consent. Lender acknowledges Owner will be applying for a property tax exemption for the Property and hereby provides its consent.

5.8 MAINTENANCE OF EXISTING STRUCTURES. Owner shall maintain the HOME-ARP Assisted Units and the rest of the Property in good condition, in good repair, ordinary wear and tear excepted, and in a decent, safe, sanitary, habitable and tenable condition at all times during the Term. Owner shall ensure that each of the HOME-ARP Assisted Units meets the standards set out in 24 CFR 92.251(f)(2) throughout the Term of this Agreement. In the event that Lender establishes property standards in accordance with 24 CFR 92.251(f)(1) and determines in its sole discretion that these standards are applicable to the Project, Lender shall send written notice of this determination to Owner. Upon Owner's receipt of such written notice, the property standards established by Lender pursuant to 24 CFR 92.251(f)(1) shall apply to each of the HOME-ARP Assisted Units throughout the Term of this Agreement. Owner shall not cause or permit any violations of any laws, ordinances, regulations, covenants, conditions, restrictions, or equitable servitudes as they pertain to improvements, alterations, maintenance or demolition on the Property. Lender shall have no responsibility with respect to maintenance of the Property.

6. GENERAL PROVISIONS

6.1 SUBORDINATION. This Agreement shall be senior, and shall not be subordinate, to any deed of trust, note, agreement and/or to any other obligations of Lender concerning the Property, and may be subordinated in priority only as to liens and encumbrances otherwise approved in writing by the Lender in its sole and absolute discretion.

6.2 DEFAULT AND REMEDIES In the event of any breach of any agreement or obligation under this Agreement by the Owner, the Lender shall provide written notice to the Owner of such breach. If such notice provides that such breach or Event of Default is subject to cure, the Owner may have an opportunity to cure such breach within the time period and in the manner specified by Lender in such written notice. If such breach is not subject to cure, or if the Owner fails to perform a timely cure of the specified breach in accordance with such notice, the Lender may proceed with any or all of the following remedies upon the Owner's failure to cure:

A. Bring an action in equitable relief seeking the specific performance by the Owner of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of said terms and conditions, and/or seeking declaratory relief;

B. Enter upon, take possession of, and manage the Property and the Project, either in person, by agent, or by a receiver appointed by a court, and collect any rents, income, deposits, or reserves and apply them to operate the Property;

C. After notice provided for herein, make such repairs or replacements to the Property and Project as are necessary and provide for payment thereof; or

C. Pursue any other remedy provided under the County HOME-ARP Loan Documents, as amended, or allowed at law or in equity.

6.3 EVENT OF DEFAULT. In the event that the Project fails to meet the HOME-ARP affordability requirements included in this Agreement for the Term of the Agreement, subject to applicable notice and cure periods contained herein, this shall constitute an Event of Default the County HOME-ARP Loan Agreement, as amended.

6.4 NON-LIABILITY OF OFFICIALS, EMPLOYEES AND AGENTS. No official elected or appointed, officer, director, employee or agent of the Lender shall be personally liable to the Owner for any obligation created under the terms of this Agreement.

6.5 INSURANCE AND INDEMNITY. Owner shall comply with the insurance and indemnification provisions set forth in Exhibit B attached hereto and incorporated herein by this reference.

6.6 GOVERNING LAW. This Agreement shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

6.7 AGREEMENT CONTROLS. In the event that any provision of this Agreement and that contained in any other County HOME-ARP Loan Document, as amended, conflict, the terms of this Agreement shall control.

6.8 TIME. Time is of the essence in this Agreement.

6.9 CONSENTS AND APPROVALS. Any consent or approval of the Lender required under this Agreement shall not be unreasonably withheld. No consent or approval of Lender shall be effective unless in writing and duly executed by an authorized representative of the Lender.

6.10 NOTICES, DEMANDS AND COMMUNICATIONS. Formal notices, demands and communications between the Owner and the Lender shall be sufficiently given and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of the Owner and the Lender as follows:

Lender: County of Santa Barbara
Housing and Community Development
123 E Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel
County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101

Owner: Good Samaritan Shelter
245 East Inger Street, Suite 103B
Santa Maria, CA 93454
Attn: Executive Director

6.11 BINDING UPON SUCCESSORS. This Agreement shall be recorded and all provisions of this Agreement shall be binding upon and inure to the benefit of the permitted successors-in-interest, transferees, and assigns of the parties hereto, to the extent authorized herein, and shall run with the land for the full Term of this Agreement, regardless of any assignment, payment, prepayment, expiration, extinguishment of the County HOME-ARP Loan, County HOME-ARP Loan Agreement, County HOME-ARP Loan Note, or HOME Note, any reconveyance of the Amended and Restated County HOME-ARP Loan Deed of Trust, or any conveyance or transfer of the Property or portion thereof; provided, however, that Owner shall not assign, delegate, or otherwise transfer, whether by operation of law or otherwise, this Agreement or any of Owner's obligations or rights hereunder without the prior written consent of Lender in each instance, and any such purported assignment, delegation, or transfer shall be null and void *ab initio*.

6.12 RELATIONSHIP OF PARTIES. The relationship of the Owner and the Lender during the Term of this Agreement is solely that of lender and borrower and shall not be construed as a joint venture, equity venture, or partnership.

6.13 **WAIVER.** No waiver by the Lender with respect to this Agreement shall be effective unless in writing duly executed by Lender. No waiver shall be implied from any delay or failure by the Lender to take action on any breach or default of the Owner or to pursue any remedy allowed under this Agreement, the County HOME-ARP Loan Documents, as amended, or applicable law. Any extension of time granted to the Owner to perform any obligation under this Agreement shall not operate as a waiver or release from any of Owner's obligations under this Agreement. Consent by the Lender to any act or omission by the Owner shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for the Lender's written consent to future waivers.

6.14 **AMENDMENTS AND MODIFICATIONS.** No amendment to or modification of this Agreement shall be effective unless in writing duly executed by both the Owner and the Lender.

6.15 **SEVERABILITY.** Every provision of this Agreement is intended to be severable in the event that any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in which case, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

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

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

By: _____
Deputy Clerk of the Board

By: _____
DAS WILLIAMS
Chair, Board of Supervisors

By: _____
GEORGE CHAPJIAN
Community Services Department, Director

**APPROVED AS TO ACCOUNTING
FORM:**
BESTY M. SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

BORROWER
Good Samaritan Shelter, a California nonprofit
public benefit corporation

By: _____
Deputy

By: _____
Sylvia Barnard
Executive Director

APPROVED AS TO FORM
RACHEL VAN MULLEM
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

By: _____
GREGORY MILLIGAN, ARM, AIC
Risk Manager

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 Santa Barbara

On _____ before me, _____, Notary Public, personally appeared _____ 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)

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 Santa Barbara

On _____ before me, _____, Notary Public, personally appeared _____ 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)

Exhibit A

LEGAL DESCRIPTION

Real property in the City of Santa Maria, County of Santa Barbara, State of California, described as follows:

LOT 127 OF COUNTRY CLUB GARDENS, TRACT NO. 5118 IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 93, PAGES 10 THROUGH 16, INCLUSIVE, OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SANTA BARBARA COUNTY. ALSO EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBON SUBSTANCES, BY WHATEVER NAME KNOWN, THAT MAY BE WITHIN OR UNDER SAID LAND, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFOR AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 500 FEET OF THE SUBSURFACE OF SAID LAND, AS RESERVED BY CAREY MORRISON, ET AL., IN DEEDS RECORDED IN BOOK 2482, PAGE 294 AND PAGE 301 OF OFFICIAL RECORDS OF SANTA BARBARA COUNTY.

EXHIBIT B
Indemnification and Insurance Requirements
(For All Contracts with Good Samaritan)

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR'S indemnification obligation applies to COUNTY'S active as well as passive negligence but does not apply to COUNTY'S sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, its agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation: Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

4. Professional Liability: (Errors and Omissions) Insurance appropriate to the CONTRACTOR'S profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR'S insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

2. **Primary Coverage** – For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it.

3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.

4. **Mutual Waiver of Workers' Compensation Subrogation Rights** – Notwithstanding anything in this Agreement to the contrary, COUNTY hereby releases and waives unto CONTRACTOR, including its officers, directors, employees and agents, and CONTRACTOR hereby releases and waives unto COUNTY, including its officers, directors, employees and agents, all rights to claim damages for any workers' compensation injury, loss, cost or damage to persons, as long as the amount of such injury, loss, cost or damage has been paid either to or by COUNTY, CONTRACTOR, or any other person, firm or corporation, under the terms of any workers' compensation policy of insurance. Each party shall have its Workers' Compensation policy endorsed with a waiver of subrogation in favor of the other party for all work performed by the either party, its officers, directors, employees and agents. **Each party shall provide the other party with the required insurance endorsement that amends the workers' compensation insurance policy.**

5. As respects all workers' compensation policies of insurance carried or maintained pursuant to this Agreement and to the extent permitted under such policies, COUNTY and CONTRACTOR, each waive the insurance carriers' rights of subrogation. For purposes of this provision, insurance proceeds paid to either party shall be deemed to include any deductible or self-insurance retention amount for which that party is responsible. A party's failure to obtain or maintain any insurance coverage required pursuant to the terms of this Agreement shall not negate the waivers and releases set forth herein, as long as the insurance that the party failed to obtain or maintain would have covered the loss or damage for which the party is waiving its claims.

6. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

7. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".

8. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to

the work beginning shall not waive the CONTRACTOR'S obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

9. Failure to Procure Coverage – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.

10. Subcontractors – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors.

11. Claims Made Policies – If any of the required policies provide coverage on a claims-made basis:

- i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
- iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

12. Special Risks or Circumstances – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt. Indemnification and Insurance Requirements (For All Contracts with Good Samaritan) 2022 03 02

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.