



City of Jurupa Valley

Staff Report

DATE: JANUARY 15, 2026

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: ROD BUTLER, CITY MANAGER

BY: JOE PEREZ, ASSISTANT CITY MANAGER / COMMUNITY
DEVELOPMENT DIRECTOR

SUBJECT: AGENDA ITEM NO. M

**EXECUTION OF AFFORDABILITY AGREEMENT BETWEEN THE
CITY OF JURUPA VALLEY AND RICHMOND AMERICAN HOMES FOR
CANTERRA HOUSING DEVELOPMENT**

RECOMMENDATION

That the City Council adopt Resolution No. 05 approving the Affordability Agreement between the City of Jurupa Valley and Richmond American Homes of Maryland, Inc. (Richmond American) for the designation of three (3) income-restricted units required as part of the Canterra housing development and authorize the City Manager to execute the Agreement.

BACKGROUND

On April 21, 2025, the City Council adopted Resolution No. 2025-35, "A Resolution of the City Council of the City of Jurupa Valley Rescinding the Planning Commission's Denial of Master Application No. 23357 (Planning Commission Resolution No. 2024-20); Approving an Addendum to the Mitigated Negative Declaration Pursuant to Section 15164 of the California Environmental Quality Act Guidelines; and Approving Master Application No. 23357 Consisting of Tentative Tract Map No. 38888 (TTM 38888) and Site Development Permit No. 23172 (SDP 23172), Approving Density Bonus Application No. 24001 (DB 24001) to Permit the Construction of a Project Consisting of 67 Single Family Detached Homes at 7586 Jurupa Road (APN 183-030-014) all subject to 1) Applicant's Withdrawal of the Waivers Requested for the Landscaping Requirements of Jurupa Valley Municipal Code Sections 9.240.550(e)(13)(b) and Agreement to

Install 36” box trees, and 2) Conditions of Approval; and Repealing Resolution No. 2025-26, Prior Denial of Project (Warmington Residential Project).”

Jurupa Valley Municipal Code Section 9.267.080(A)(2) mandates that an applicant shall execute and cause to be recorded an affordability agreement. The affordability agreement shall be a legally binding, recorded agreement between the applicant and the City, in a form and substance satisfactory to the Director and the City Attorney, and containing those provisions necessary to ensure that the requirements of this chapter are satisfied, whether through the provision of inclusionary units or through an approved alternative method. Once the residential development, including allocated units, has received its final discretionary approval, the applicant shall file an application, including payment of any processing and monitoring fees, with the Community Development Department for approval and finalization of the affordability agreement.

Condition of Approval No. 25(b) for the Site Development Permit No. 23172 and Tentative Tract Map No. 38888 provides that “Prior to or concurrently with the recordation of the final map, the Affordability Agreement shall be recorded.”

The attached “Affordable Housing and Regulatory Agreement, Density Bonus Agreement and Declaration of Restrictive Covenants” between the City of Jurupa Valley and Richmond American Homes of Maryland, Inc.” (“Affordability Agreement”) ensures that three (3) single family homes shall be restricted for ownership by very low-income households for a period of 45 years.

ANALYSIS

When selecting an eligible compliance method to satisfy the Inclusionary Housing Ordinance requirements, the developer elected to use the alternative compliance option known as the **Affordability Level Credit**. This approach reduces the total number of required affordable units in exchange for increasing the number of homes made available to lower-income households, who are often priced out of homeownership opportunities within the City. Under this option, the designated homes must be sold to **very low-income** buyers—households with gross incomes not exceeding 50% of the Area Median Income (AMI) for Riverside County, as defined by the U.S. Department of Housing and Urban Development (HUD).



The development includes a total of 67 units, **three (3)** of which will be reserved as affordable units for very low-income families earning at or below 50% of the AMI for Riverside County, consistent with HUD income definitions.

The following table illustrates the breakdown of unit mix:

Floor Plan Type	Bedroom Count	Income Restricted Units to \leq 50% AMI	Non-income Restricted Units	Total Units
Floor Plan 1 1,751Sq. Ft.	Three Bedroom	1	21	22
Floor Plan 2 2,049 Sq. Ft.	Four Bedroom	1	21	22
Floor Plan 3 2,079 Sq. Ft.	Four Bedroom	1	22	23
Total		3	64	67

FINANCIAL IMPACT

The approval of this agreement will secure long-term affordability for three very low-income households by ensuring that these units remain income-restricted for the next 45 years. This commitment not only strengthens the City’s ability to meet its Regional Housing Needs Allocation (RHNA) obligations, but also supports the broader goal of providing stable, attainable housing opportunities for families who face the greatest barriers to homeownership. Through this agreement, the City reaffirms its dedication to fostering an inclusive community where very low-income households can thrive for generations to come.



ALTERNATIVES

1. That the City Council adopt Resolution No. 2026-05 approving the Affordability Agreement between the City of Jurupa Valley and Richmond American Homes of Maryland, Inc. (Richmond American) for the designation of three (3) income-restricted units required as part of the Canterra housing development (formerly known as Warmington) and authorize the City Manager to execute the Agreement.
2. Defer action and provide alternate direction to Staff.



Prepared by:



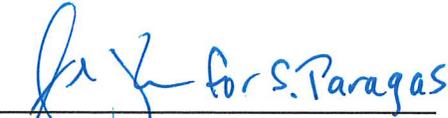
Joe Perez
Assistant City Manager/Community
Development Director

Submitted by:



Rod B. Butler
City Manager

Reviewed by:



Susan Paragas
Director of Finance

Reviewed by:



Michael Flad
Assistant City Manager

Reviewed by:



Peter M. Thorson
City Attorney

ATTACHMENTS

1. Affordability Agreement including all exhibits
2. Resolution



RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509
Attn: City Clerk

APN: 183-030-014

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Document is recorded for the benefit of the City of Jurupa Valley and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

AFFORDABLE HOUSING AND REGULATORY AGREEMENT, DENSITY BONUS AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

THIS AFFORDABLE HOUSING AND REGULATORY AGREEMENT, DENSITY BONUS AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (this "Agreement"), is entered into as of _____, 2025, by and between the City of Jurupa Valley, a municipal corporation (hereinafter the "City") and Richmond American Homes of Maryland, Inc., a Maryland Corporation (hereinafter "Developer") (individually a "Party" and together the "Parties").

RECITALS

A. Developer is the owner of that certain real property located at 7586 Jurupa Road, also identified as Riverside County Assessor's Parcel Number 183-030-014, in the City of Jurupa Valley, County of Riverside, State of California, as more particularly described on Exhibit "A" (the "Property").

B. Developer has applied to the City for approvals to construct a project on the Property consisting of a sixty-seven (67)-unit project on the Property (the "Project"), which shall consist of "for sale" detached single family homes, sixty-four (64) of which will be sold at market rate prices (the "Market Rate Project") and three (3) of which shall be sold at an affordable housing cost to households of very-low income (the "Affordable Project").

C. The Agreement is entered into pursuant to Jurupa Valley Municipal Code ("JVMC") Chapter 9.300 (Density Bonus) and Chapter 9.267 (Inclusionary housing) and

D. The Developer has been granted a twenty percent (20%) density bonus consisting of twelve (12) units of increased density, and a waiver of the following development standards (the "Density Bonus Law Benefits"):

1. A waiver of JVMC Sections 9.100.040(A), 9.100.040(B), and 9.240.550(E)(2), permitting the lot sizes to range from 2,498 square feet to 5,044 square feet, with an average lot size to be 3,036 square feet.
2. A waiver of JVMC Section 9.100.040(B), permitting lot widths to range from 30 feet to 38.5 feet.
3. A waiver of JVMC Sections 9.100.040(D)(1) and 9.240.550(E)(6), permitting front yard setbacks to range from 15 feet to 18 feet, 8 inches.
4. A waiver of JVMC Section 9.100.040(D)(2), permitting interior and through lot side yard widths of less than 5 feet and corner and reversed lot side yard width of less than 10 feet from the existing right-of-way or from any future right-of-way as shown on any Specific Plan of Highways, whichever is nearer the proposed structure.
5. A waiver of JVMC Section 9.100.040(D)(3), permitting rear yards of 8.4 feet, 9.4 feet, and 9.8 feet.
6. A waiver of JVMC Section 9.100.040(D)(4), permitting structural encroachments into the required front, side, and rear yard setbacks.
7. A waiver of JVMC Section 9.240.550(E)(3), permitting two story dwellings located on lots adjacent to other two story dwellings and permitting two story dwellings on corner lots.
8. A waiver JVMC Section 9.240.550(E)(4), permitting an average first story floor area ratio of 0.42 and an average second story floor area ratio of 0.39.
9. A waiver of JVMC Section 9.240.550(E)(5), permitting a minimum permeable open space of 39 percent.
10. A waiver of JVMC Section 9.240.550(E)(6), permitting interior side yard widths of less than 6 feet or 10% of the total lot width.
11. A waiver of JVMC Section 9.240.550(E)(6), permitting street facing side yard setbacks of less than 10 feet.
12. A waiver of JVMC Section 9.240.550(E)(6), permitting street facing garages with a setback of less than 10 feet from the front building line of the dwelling, and permitting garages that are not side facing located in the front half of the lot.
13. A waiver of JVMC Section 9.240.550(E)(7), permitting garages located within the front half of the lot and corner lot garages facing the front yard or street.
14. A waiver of JVMC Section 9.240.550(E)(8), permitting distances ranging from 13 feet to 22 feet between driveway curb cuts.

15. A waiver of JVMC Section 9.240.550(E)(9), permitting interior streets that do not connect to internal streets of any adjacent properties.

16. A waiver of JVMC Section 9.240.550(E)(9), permitting the Project to exclude street stub outs.

17. A waiver of JVMC Section 9.240.550(E)(9), permitting internal streets with a width of 36 feet.

18. A waiver of JVMC Section 9.240.550(E)(9), permitting roadways with a width of 26 feet.

19. A waiver of JVMC Section 9.240.550(E)(9), permitting alleys with a width of 26 feet.

20. A waiver of JVMC Section 9.240.550(E)(9), permitting parkways with a width of 5 feet and permitting the Project parkways to exclude landscape planters.

21. A waiver of JVMC Section 9.240.550(E)(13), permitting internal streets to exclude landscape planters.

E. Such Density Bonus Law Benefits are given in exchange for Developer constructing the three (3) Affordable Units (as the term is defined below) prior to or concurrently with the market rate units, interspersing the three (3) Affordable Units among the market rate units, and restricting the three (3) units for sale to Very-Low Income Households at an Affordable Housing Cost (as such capitalized terms are defined herein), or to a Qualified Nonprofit Housing Corporation (as described below), subject to the equity sharing provisions herein (which apply after the initial sale by the Developer), with the understanding that for the term of this Agreement, the three (3) Affordable Units are intended to remain owner-occupied after the initial sale to a Very Low Income Household for a period of forty-five (45) years.

F. To ensure continued affordability of the Affordable Units for the applicable Term, this Agreement shall be executed and recorded against the lots containing the Affordable Units prior to the recordation of any deed of trust or other lien.

NOW, THEREFORE, the Parties agree as follows.

AGREEMENT

The above recitals are true and accurate and are incorporated into this Agreement by this reference.

ARTICLE 1 DEFINITIONS AND EXHIBITS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) "Affordable Housing Cost" is the affordable housing cost described in California Health and Safety Code 50052.5, and 25 California Code of Regulations Sections 6920 and 6924, or successor provisions, for a Very Low Income Household, with Area Median Income adjusted for household size appropriate to the Affordable Unit (i.e., two persons in a one-bedroom Affordable Unit, three persons in a two-bedroom Affordable Unit, four persons in a three-bedroom Affordable Unit and five persons in a four bedroom Affordable Unit), as further described on Exhibit "B".

(b) "Affordable Units" means units four (4), twelve (12), and fifty-nine (59) in the Project, consisting of single-family homes, and located as described on Exhibit "C". Unit four (4) is a 3-bedroom 1,751 square foot unit that shall be constructed in construction Phase 6. Unit fifty-nine (59) is a 4-bedroom 2,079 square foot unit that shall be constructed in construction Phase 2. Unit twelve (12) is a 4-bedroom 2,049 square foot unit that shall be constructed in construction Phase 1. The descriptions and locations of the Affordable Units and the phasing plan for the Project are attached as Exhibit "C".

(c) "Area Median Income" is the median household Income in Riverside County as published annually pursuant to 25 California Code of Regulations Section 6932 (or successor provision) by the California Housing and Community Development Department ("HCD").

(d) "City Deed of Trust" means, with respect to each Affordable Unit, a deed of trust, in substantially the same form attached as Exhibit "D", executed by the buyer of that Affordable Unit at the time of purchase and recorded against such Affordable Unit, which City Deed of Trust secures such buyer's performance under the Resale Restriction, and the City Note.

(e) "City Note" means, with respect to each Affordable Unit, a Secured Promissory Note, in substantially the same form attached as Exhibit "E", and executed by the buyer of that Affordable Unit at the time of buyer's purchase of the Affordable Unit.

(f) "Eligible Buyer" means, with respect to any Affordable Unit only, a household that meets the income qualifications for a Very Low Income Household.

(g) "Homebuyer Disclosure" means, with respect to any Affordable Unit only, the homebuyer disclosure statement, in a form provided by the City, to be executed by each Eligible Buyer as a condition to purchase of an Affordable Unit.

(h) "Household Income" is the combined gross, pre-tax income of all adult (18 years or older) occupants of the applicant household, as described in 25 California Code of Regulations Section 6914, or successor provision. Sources of household income include all wages or salaries, overtime pay, commissions, fees, tips, bonuses and other compensation, net income from a business or profession or from the

rental of real or personal property, interest and dividends, payments received from social security, annuities, insurance policies, distributions from retirement funds, pensions, disability or death benefits, payments in lieu of earnings, public assistance, alimony and child support received, and any other source of income.

(i) "Market Rate Units" means the Units that the Developer will develop on the Property that are not Affordable Units.

(j) "Project Approvals" means Tentative Tract Map No. 38888 and Site Development No. 23172, and Density Bonus application No. 24001 (collectively, Master Application No. 23357 or MA No. 23357) to subdivide 6.92 acres into 67 lots for the construction of 67 single family detached homes at 7586 Jurupa Road (APN 183-030-014).

(k) "Qualified Nonprofit Housing Corporation" means a nonprofit corporation organized pursuant to Internal Revenue Code Section 501(c)(3) that has received a welfare exemption under Revenue and Taxation Code Section 214.15 for properties intended to be sold to very low-income families who participate in a special no-interest loan program.

(l) "Request for Notice of Default" means a request for notice of default pursuant to Civil Code Section 2924b to be recorded against the Affordable Unit at the time of purchase by the buyer, providing for the City to be notified of any default under a mortgage on the Affordable Unit.

(m) "Resale Restriction" means, with respect to the Affordable Units only, a Resale Restriction Agreement (Affordability Agreement and Density Bonus), in substantially the same form attached as Exhibit "F", to be executed by each buyer of an Affordable Unit and recorded against the Affordable Unit at the time of purchase by the buyer.

(n) "Term" as to an Affordable Unit is the period that commences on the date that such Affordable Unit is first sold by Developer in accordance with this Agreement, and that terminates forty-five (45) years after that date.

(o) "Very Low Income Household" is a household described in California Health and Safety Code 50105 with a Household Income of no greater than the maximum income for very low income households, as published annually for Riverside County pursuant to 25 California Code of Regulations Section 6932, or successor provision. "Very Low Income Households" includes extremely low income households, as defined in Section 50106.

Section 1.2 Exhibits. The following exhibits are attached to and incorporated into this Agreement:

Exhibit A Legal Description of the Property

Exhibit B Affordable Housing Cost Description

Exhibit C	Description/Locations of Affordable Units and Project Phasing Plan
Exhibit D	City Deed of Trust
Exhibit E	City Note
Exhibit F	Resale Restriction
Exhibit G	Termination of Affordable Housing Agreement

**ARTICLE 2
CONSTRUCTION OF PROJECT AND AFFORDABLE UNITS**

Section 2.1 Affordability Covenants. Developer covenants that Developer shall make available three (3) single family detached units within the Project as affordable for-sale units upon the terms set forth in this Section 2 (“Affordability Covenants”).

Section 2.2 Construction of Affordable Unit. The Affordable Units shall have the same finishes and features as the other Units.

Section 2.3 Affordable Unit Restrictions; Equity Sharing After Initial Sale by Developer.

(a) Each Affordable Unit shall be sold to either:

(i) a Very Low Income Household at a price that will result in an Affordable Housing Cost and, subject to compliance with the equity sharing provisions in Section 2.2(d) below, each subsequent owner after Developer of the Affordable Unit may not sell the Affordable Unit except to a Very Low Income Household at a price that will result in an Affordable Housing Cost, but if any such owner sells the Affordable Unit to a person or household with an income in excess of the income permitted for a Very Low Income Household or at a price in excess of the price that would result in an Affordable Housing Cost, then such subsequent owner shall comply with Section 2.2(d) below (equity sharing)); or

(ii) If an Affordable Unit is not purchased by a Very Low Income Household within 180 days after the issuance of the certificate of occupancy, then Developer may sell it to a Qualified Nonprofit Housing Corporation that meets all of the following requirements pursuant to a recorded contract that satisfies all of the requirements specified in paragraph (10) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code, including, but not limited to:

(a) The nonprofit corporation has a determination letter from the Internal Revenue Service affirming its tax-exempt status pursuant to Section 501(c)(3)

of the Internal Revenue Code and is not a private foundation as that term is defined in Section 509 of the Internal Revenue Code.

(b) The nonprofit corporation is based in California.

(c) All of the board members of the nonprofit corporation have their primary residence in California.

(d) The primary activity of the nonprofit corporation is the development and preservation of affordable home ownership housing in California that incorporates within their contracts for initial purchase a repurchase option that requires a subsequent purchaser of the property that desires to resell or convey the property to offer the Qualified Nonprofit Housing Corporation the right to repurchase the property prior to selling or conveying that property to any other purchaser pursuant to an equity sharing agreement (consistent with clause (d) below), or affordability restrictions on the sale and conveyance of the Affordable Unit, enforceable by both the nonprofit corporation and the City, that ensure that the Affordable Unit will be preserved for Very Low Income Households for at least 45 years for owner-occupied housing units and will be sold or resold only to persons or families of Very Low Income Households at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, and such equity sharing agreement shall be subject to the review and approval in writing of the City Manager.

(b) Neither Developer nor any subsequent owner of an Affordable Unit shall lease the Affordable Unit. After the initial sale by Developer of the Affordable Unit, the Affordable Unit shall remain owner-occupied.

(c) After the initial sale of an Affordable Unit by Developer at an Affordable Housing Cost to a Very Low Income Household, or to a Qualified Nonprofit Housing Corporation, the following shall apply to any subsequent sale of the Affordable Unit at a cost in excess of the price that would result in an Affordable Housing Cost:

(i) Upon resale, the seller of the Affordable Unit shall retain the value of any documented improvements made by the seller, the documented down payment, and the seller's proportionate share of appreciation (determined by application of clause (iv) below).

(ii) The City shall recapture (be paid) the Initial Subsidy Amount (defined in clause (iii) below) and the City's proportionate share of appreciation, as described in clause (iv) below (which amount shall be used within five (5) years for any of the purposes described in subdivision (e) of Section 33334.2 of the California Health and Safety Code that promote home ownership).

(iii) The "Initial Subsidy Amount" shall be equal to the fair market value of the Affordable Unit at the time of initial sale (as determined by City in good faith) minus the initial sale price to the Very Low Income Household (plus the amount of any down payment assistance or mortgage assistance provided by the City, if applicable). If upon resale the market value is lower than the initial market value, then

the value at the time of the resale (as determined by City in good faith) shall be used as the initial market value.

(iv) The City's proportionate share of appreciation shall be equal to the ratio of the City's Initial Subsidy Amount to the fair market value of the Affordable Unit at the time of initial sale (as determined in good faith by the City). The remainder shall be the seller's proportionate share of appreciation.

(v) If the Affordable Unit is purchased by a Qualified Nonprofit Housing Corporation pursuant to Subsection 2.2(b) (ii) above, the City may enter into a contract with the qualified nonprofit housing corporation under which the qualified nonprofit housing corporation would recapture any initial subsidy and its proportionate share of appreciation if the Qualified Nonprofit Housing Corporation is required to use one hundred percent (100%) of the proceeds to promote homeownership for Very Low Income Households within the City.

Section 2.4 Appearance, Size and Amenities of Affordable Unit.

The design, square footage, appearance, and general quality of the Affordable Units shall be comparable with those of the other Market Rate Units and consistent with the designs provided for the Project Approvals. Developer shall allocate and assign parking spaces, bicycle storage, storage lockers, and other spaces reserved for use by individual units to the Affordable Units on the same basis as for the other units, and owners of the Affordable Unit shall have equal access to the Project's common areas and amenities as is given to the residents of the other units, but any fee charged for use of common areas or for spaces reserved for individual units shall be included in the sales price. Once completed, the Affordable Unit shall not be kept vacant or used for any purpose except for residential use.

ARTICLE 3 REGULATORY PROVISIONS

Section 3.1 Term.

Developer hereby agrees that the Affordability Covenants as described in Section 2 above and implemented through the Resale Restriction, City Note and City Deed of Trust (as such terms are defined in Section 1) encumbering each of the Affordable Units shall be effective as of the date of recordation of this Agreement, and shall remain in effect for no less than forty-five (45) years from the date on which each respective Affordable Unit is sold at an Affordable Sales Price pursuant to the Affordability Covenants described in Section 2.

Section 3.2 Marketing, Income Certification and Reporting.

(a) Required City Approvals. At least one hundred twenty (120) calendar days before any Units in the Project receive a certificate of occupancy, the Developer shall notify City of the availability of the Affordable Units and provide to the

City its proposed marketing plan for the Affordable Units as described below; its management policies as described in Section 3.1(b) below; the proposed form of purchase agreement; and proposed Affordable Housing Cost, with purchase prices, for the Affordable Units, all for City review and approval. The Affordable Units shall be marketed concurrently with the marketing of the Market Rate Units.

(b) Marketing Plan. The Developer's marketing plan shall be consistent with the provisions of this subsection (b). Upon receipt of the marketing plan, the City shall promptly review the marketing plan and shall, in its reasonable discretion, approve or disapprove it within thirty (30) calendar days after submission. If the marketing plan is not approved, the Developer shall submit a revised marketing plan within thirty (30) calendar days.

(i) Marketing Materials. The marketing plan submitted to the City shall include the following: means to be used to advertise the Affordable Units to the public; the amount of any application screening fee to be imposed by Developer, and information to be provided to applicants, including conditions and restrictions applicable to occupancy, leasing and re-sale of the Affordable Units, minimum and maximum qualifying income for a Very Low Income Household.

(c) Income Certification.

(i) Prior to Developer or any subsequent owner entering into a purchase and sale agreement with a prospective buyer of the Affordable Unit, the prospective buyer's household shall be certified by the City as a Very Low Income Household.

(ii) The Developer or subsequent owner, as applicable, will obtain, and maintain on file complete Household Income certifications for the prospective buyer and shall verify that the Household Income certifications provided by a prospective buyer are accurate by taking two or more of the following steps as a part of the verification process for all members of the household age eighteen (18) or older:

- (a) obtaining a minimum of the three (3) most current pay stubs;
- (b) obtaining an income tax return for the most recent tax year, or if the member is unemployed and has no such tax return, obtain another form of independent verification;
- (c) conducting a credit agency or similar search;
- (d) obtaining the three (3) most current savings and checking account bank statements;
- (e) obtaining an income verification form from a current employer;

(f) obtaining an income verification form from the Social Security Administration and/or the California Department of Social Services if an adult member of the household receives assistance from either of such agencies; or

(iii) As an alternative to the procedure described in subparagraph (ii) of this subsection (c) for Developer, Developer may contract with a provider approved by the City in writing to certify Household Income.

(d) City Inspection/Inquiry Rights. City shall have the right to contact the occupant(s) of the Affordable Unit in order to verify information about their ownership and occupancy and compliance with the leasing prohibition.

Section 3.3 Sale Restricted to Very Low Income Households.

(a) Developer and subsequent owners of an Affordable Unit shall sell the Affordable Unit to a Very Low Income Households at a price not in excess of a price that will result in an Affordable Housing Cost to the buyer (or Developer may sell to a Qualified Nonprofit Housing Corporation under Section 2.2(a)(ii) above). Developer and subsequent owners of the Affordable Units shall certify to the City, on a form provided by the City, the income of any buyer and the Affordable Housing Cost (maximum sales price) prior to any sale, and shall provide City with a copy of the applicable purchase agreement and any amendments prior to any sale and information about any purchase money loan being used by the buyer, as necessary for the City to verify Affordable Housing Cost. Upon written request from City, owner shall deliver to City a completed income computation and certification form as may be reasonably required by the Community Development Director of the City from time to time, together, with such information as may be reasonably required by the Community Development Director. City shall have the continuing right to require from owners of the Affordable Unit who are selling an Affordable Unit evidence necessary or convenient to verify that the restrictions, limitations and requirements of Section 3 are being complied with for the Affordable Units.

(b) Developer or other seller may not charge or receive any additional amount for the Affordable Units regardless of whether the additional amount is (i) for options, upgrades, or additional improvements to the Affordable Units, (ii) paid through escrow or outside of escrow, (iii) paid prior to, after or as part of the purchase escrow or (iv) paid in cash or in kind, unless a reasonable accommodation is approved by the City for a buyer requiring options or accommodations related to a disability, in which any additional cost shall be paid through escrow with prior written approval by City.

(c) Developer shall actively market the Affordable Units, openly and in the same general manner as the Market Rate Units, allow prospective buyers to view the Affordable Units, model units or floor plans, disclosure documents, and any other relevant sales materials, as may be available. Developer's sales agents shall provide the same general quality of customer service to the Affordable Unit buyers as provided to the Market Rate Unit buyers, shall display information about the availability of the Affordable Units in a readily noticeable manner in the sales office and/or Project sales

website, and shall disclose the Affordable Unit restrictions to any prospective buyers in a timely manner. Selected applicants shall be responsible for obtaining their own financing for the Affordable Units. Developer shall comply with applicable fair housing laws in the marketing and sale of the Affordable Units.

(d) The City or its designee shall verify a potential buyer's eligibility pursuant to this Agreement before Developer or any subsequent owner/seller of an Affordable Unit may accept an offer to purchase the applicable Affordable Unit. City shall use best efforts to approve or disapprove the income eligibility of the applicant within twenty (20) business days of developer's submission of all required documents verifying income; in the event City is not able to respond within 20 business days, Developer shall have the option to give written notice to the City requesting prompt action after which the City shall use best efforts to approve or disapprove the income eligibility of the applicant within fifteen (15) calendar days of such written notice.

Section 3.4 Compliance Reports, Inspections, Monitoring. Within five (5) business days following the sale of the Affordable Unit by the Developer or any subsequent owner, Developer or subsequent owner shall forward, or shall cause escrow officer to forward to the City, copies of the buyer's and seller's settlement statement and all closing documents, including the recorded Resale Restriction, the recorded City Note, and the recorded City Deed of Trust, and Homebuyer Disclosure executed in connection with the sale. Developer shall retain all records related to compliance with obligations under this Agreement for a period of two years from the date of sale of all units in the Project and make them available to City employees or others designated by the City for inspection and copying on five business days' written notice.

Section 3.5 Prohibition on Rental or Occupancy before Unit Sale. The Developer is expressly prohibited from renting or allowing occupancy of an Affordable Unit before initial sale to an Eligible Buyer. I

ARTICLE 4 ENFORCEMENT

Section 4.1 Covenants Running with the Land. The City and Developer hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall apply to and bind Developer, the subsequent owners of the Affordable Units, and their successors, transferees, and assignees having or acquiring any right, title or interest in or to any part of the Affordable Units and shall run with and burden the Affordable Units until terminated in accordance with Section 5.3 below. Until such termination has been recorded, each and every contract, deed or other instrument hereafter executed covering or conveying the Affordable Units shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument. In the event of foreclosure or transfer by deed-in-

lieu of all or any portion of an Affordable Unit prior to completion and sale of the Affordable Unit, title to the Affordable Unit shall be taken subject to this Agreement. Developer acknowledges that compliance with this Agreement is a requirement of the Project Approvals, and that no event of foreclosure or trustee's sale may remove these requirements from the Affordable Unit.

Section 4.2 Default. Failure of Developer or any subsequent owner of an Affordable Unit to perform, satisfy or comply with any of its obligations or covenants under the terms of this Agreement within thirty (30) days after the delivery of a notice of default from the City will constitute a default under this Agreement and a failure to satisfy the City's Project Approvals. In addition to remedies for breach of this Agreement, the City may exercise any and all remedies available to it including but not limited to:

(a) if the default is by Developer, withholding, conditioning, suspending or revoking any permit, license, subdivision approval or map, or other entitlement for the Project, including without limitation final inspections for occupancy and/or certificates of occupancy;

(b) instituting a civil action for declaratory relief, injunction or any other equitable relief, or relief at law, including without limitation an action to rescind a transaction and/or to require repayment of any funds received in connection with such a violation;

(c) where one or more persons have received financial benefit as a result of violation of this Agreement, the City may assess, and institute legal action to recover the amount of financial benefit received;

(d) requiring Developer or subsequent owner, as applicable, to pay the City rent or any other payment received for the Affordable Unit from the date of any unauthorized rental of the Affordable Unit; and

(e) any other means authorized under any federal or state statute or applicable law.

(f) If, after a certificate of occupancy or final inspection is issued for the Affordable Unit and prior to its sale by Developer, the Affordable Unit is damaged or destroyed, Developer must, at its own cost and expense, repair or restore the Affordable Unit. Developer must submit permits for such work within 180 days after damage or loss occurs and work shall be commenced within 90 days after the City issues the required permits and shall be completed within eighteen months thereafter. The time within which the work must be completed shall be extended for a period equal to the period of any delay directly affecting the construction or rehabilitation work which is caused by fire, earthquake or other acts of God, strike, lockout, acts of public enemy, riot, insurrection, or other extraordinary events beyond the control of Developer, provided Developer furnishes the City with written notice of any such delay within fifteen (15) days from the initial occurrence of any such delay or as soon thereafter as

communications are restored if the extraordinary event involves loss of internet and phone service for more than fifteen (15) days.

Section 4.3 Remedies Cumulative. No right, power, or remedy given to the City by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the City by the terms of this Agreement or by any statute or ordinance or otherwise against Developer and any other person. Neither the failure nor any delay on the part of the City to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the City of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

ARTICLE 5 SUCCESSORS AND ASSIGNS; TRANSFERS

Section 5.1 Successors and Assigns. The Parties hereto each agree that the obligations and duties contained herein shall be binding upon the City and Developer, and their respective successors and assigns, and Developer's successors-in-interest, including all subsequent owners of the Affordable Units. The covenants contained in this Agreement shall inure to the benefit of the City and its successors and assigns and shall run in favor of City without regard to whether City has been, remains, or is an owner of any land or interest thereon. Developer may assign this Agreement to any successor developer of the Project, conditioned upon the successor entering into an assignment and assumption of this Agreement whereby Developer assigns to the successor all of Developer's rights, obligations and responsibilities under this Agreement arising or required to be performed from and after the date of such assignment. Developer agrees to give the City prompt written notice through certified mail after such assignment, together with a copy of the assignment and assumption agreement, which agreement shall be approved by the City, and which approval shall not be unreasonably withheld.

Section 5.2 Notice of Transfer/Sale. Developer and any subsequent owner selling an Affordable Unit shall provide at least thirty (30) calendar days' prior written notice to City of any proposed sale or transfer, and shall provide notice of the proposed sale price and any real estate documents to the City.

Section 5.3 Release of Property from Agreement; Termination. The covenants and conditions herein contained shall apply to and bind, during their respective periods of fee ownership, Developer and its heirs, executors, administrators, successors, transferees, and assignees having or acquiring any right, title or interest in the lots containing the Affordable Units and shall run with and burden such lots containing the Affordable Units until terminated in accordance with this Section 5.3. Until a lot containing an Affordable Unit is released from the burdens of this Agreement pursuant to this Section 5.3, the owner(s) of fee title to the lot containing the Affordable Unit shall take such title expressly subject and subordinate to this Agreement.

(a) After the initial closing of an Affordable Unit, and provided the Resale Restriction, City Deed of Trust, Secured Promissory Note and Request for Notice of Default have been recorded against the lot containing that Affordable Unit, the City shall promptly execute and record a Termination of Affordable Housing Agreement in the form attached hereto as Exhibit "G" against that lot containing the Affordable Unit for which escrow has closed. This Agreement does not impose obligations as to the Market Rate Units at the Project.

ARTICLE 6 HOMEBUYER DOCUMENTS AND SECURITY INSTRUMENTS

Section 6.1 Prior to or at the time of the sale of each Affordable Unit, Developer shall ensure that:

(a) The Eligible Buyer and the City execute the Resale Restriction which shall restrict the resale price of the Affordable Unit for the Term. The Resale Restriction shall be recorded against the Affordable Unit at close of escrow on the sale to the Eligible Buyer. The Resale Restriction shall be recorded senior to the lien of the deed of trust securing the Eligible Buyer's first mortgage loan.

(b) The Eligible Buyer signs the City Note that obligates the Eligible Buyer to pay the City any excess sales proceeds or excess rents received by the Eligible Buyer if the Eligible Buyer fails to comply with the Resale Restriction on rental or resale of the Affordable Unit.

(c) The Eligible Buyer signs the City Deed of Trust to secure performance of the Eligible Buyer's covenants under the Resale Restriction and payment of the amounts due under the City Note if the Eligible Buyer fails to comply with the terms of the Resale Restriction. The City Deed of Trust shall be recorded against the Affordable Unit, subordinate only to the Resale Restriction and the lien for the first mortgage loan obtained by the homebuyer to finance the purchase of the Affordable Unit unless otherwise approved in writing by the City.

(d) The Eligible Buyer signs a Homebuyer Disclosure describing the City's affordable housing and resale restriction requirements.

(e) A Request for Notice of Default is recorded for the benefit of the City in connection with each mortgage loan recorded against an Affordable Unit.

(f) The first mortgage is a fully amortizing thirty (30)-year fixed principal and interest loan with a loan to value ratio no greater than ninety-seven percent (97%).

ARTICLE 7 GENERAL PROVISIONS

Section 7.1 Appointment of Other Agencies. At its sole discretion, the City may designate, appoint or contract with any other public agency, for-profit or non-profit organization to perform some or all of the City's obligations under this Agreement.

Section 7.2 Nondiscrimination Obligation. The Affordable Unit shall be available for occupancy to members of the general public. Developer shall not give preference to any particular class or group of persons in selling the Affordable Unit, except to the extent that the Affordable Units are required to be sold to Very Low Income Households and as required by this Agreement; provided, however, there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g., SSI), age (except for lawful senior housing), ancestry, or disability, in the leasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall Developer or any person claiming under or through Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of any unit or in connection with the employment of persons for the construction, operation and management of the Project.

Section 7.3 Form of Nondiscrimination and Nonsegregation Clause. Developer agrees that the covenants set forth in this Section 7.2 shall bind the Developer, for itself and its successors and assigns, and all subsequent holders of any interest in the Affordable Units. The covenants set forth in Section 7.2 shall be covenants running with the land for the Affordable Units and any deed shall contain the following language: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through the grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessee, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

Section 7.4 Effect and Duration of Nondiscrimination and Nonsegregation Requirements. Section 7.2 shall remain in effect in perpetuity and shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties, or other transferees under the instrument.

Section 7.5 Developer Indemnity. Developer shall indemnify, defend and hold harmless City and its elected officials, officers, employees and agents in their official capacity (hereinafter collectively referred to as "Indemnitees"), and any of them, from and against all claims, liabilities, losses, damages and expenses sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made

or obtained, allegedly caused by, arising out of or relating in any manner to the Project including Developer's construction, management or operation of the Property and the Project, the Affordable Units, or Developer's performance or non-performance under this Agreement, and shall protect and defend Indemnitees, and any of them with respect thereto, except to the extent arising from the gross negligence or willful misconduct of the Indemnitees. The provisions of this Section shall survive expiration or other termination of this Agreement or any release of part or all of the Property from the burdens of this Agreement, and the provisions of this Section shall remain in full force and effect, but only as to claims arising from events occurring during the Affordability Period and during Developer's ownership of the units.

Section 7.6 Notices. All notices required pursuant to this Agreement shall be in writing and may be given by certified mail, return receipt requested, or reputable overnight delivery service (for next business day delivery) to the Party to receive such notice at the address set forth below for such Party:

TO THE CITY:

City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509
Attn: City Clerk

TO THE DEVELOPER:

L

Richmond American Homes
391 North Main Street, Suite 205
Corona, CA 92880
Attn: Edgar Gomez

TO A SUBSEQUENT OWNER OF THE AFFORDABLE UNIT:

To the Affordable Unit.

Developer and City may change the address to which notices are to be sent to it by notifying the other Party of the new address, in the manner set forth above.

Section 7.7 Integrated Agreement. This Agreement constitutes the entire Agreement between the Parties and no modification hereof shall be binding unless reduced to writing and signed by the Parties hereto.

Section 7.8 Priority of Agreement. This Agreement shall be recorded promptly after the recording of the Final Map and will have priority over the liens of all deeds of trust, mortgages and other financing instruments encumbering the Property.

Section 7.9 Each Party's Role in Drafting the Agreement. Each Party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither Party shall rely upon Civil Code Section 1654 in order to interpret any uncertainty in the meaning of the Agreement.

Section 7.10 Amendment; Approvals and Consents.

(a) Amendments to this Agreement must be in writing and must be approved by the City Council, executed by City and the then-owner of the Affordable Units in question, and recorded against such Affordable Unit.

(b) The City has authorized the City Manager to execute this Agreement and has authorized the Community Development Director to deliver such approvals or consents as are required by this Agreement.

Section 7.11 No Claims. Nothing contained in this Agreement shall create or justify any claim against the City by any person that Developer may have employed or with whom Developer may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Property or the construction of the Project or construction of the Affordable Unit.

Section 7.12 Applicable Law. This Agreement shall be governed by California law. Venue shall be the County of Riverside.

Section 7.13 Waivers. Any waiver by the City of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the City to take action on any breach or default or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the City to any act or omission shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the City's written consent to future waivers.

Section 7.14 Counterparts. This Agreement may be executed in counterparts, each of which and all of which together shall constitute one and the same agreement.

Section 7.15 Recording of Agreement. This Agreement shall be recorded against the Property in the Official Records of the County of Riverside prior to the recordation of any deed of trust or other lien, and prior to issuance of any building permit for the Project.

Section 7.16 Severability. In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is to be held invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall nevertheless be and remain in full force and effect.

Section 7.17 Time is of the Essence. Time is of the essence with respect to each and every term and condition hereof.

Section 7.18 No Third Party Beneficiaries. There are no third-party beneficiaries of this Agreement.

Section 7.19 Mortgagees Protection. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement shall defeat or render invalid, or in any way impair the lien or charge of any deed of trust recorded against the Property or any portion thereof (including any amendments, restatements or other modifications thereto), or restrict or limit the rights and remedies of any holder of a Deed of Trust ("Mortgagee"); provided, however, that any Mortgagee and any subsequent owner of the Property shall be bound by the covenants, conditions, restrictions, limitations and provisions of this Agreement, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

Section 7.20 Estoppel Certificates. Developer or any Mortgagee (but not more frequently than twice per calendar year) may deliver written notice to the City requesting the City to certify in writing that, to the actual knowledge of the City: (a) this Agreement is in full force and effect and is a binding obligation of the Parties; (b) this Agreement has not been amended or modified or, if amended or modified, identifying the agreements or modifications; and (c) the requesting party is not in Default in any performance of its obligations under this Agreement, or, if in Default, to describe the nature of any Defaults. The City shall execute and return the certificate within thirty (30) days following receipt of the request. The City Manager shall be authorized to execute any requested certificate.

Section 7.21 Attorneys' Fees. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the party prevailing in any such action shall be entitled to recover against the party not prevailing all reasonable attorneys' fees and costs incurred in such action (including, without limitation, all reasonable legal fees incurred in any appeal or in any action to enforce any resulting judgment).

Section 7.22 Transferability. Except as stated in Section 2.2(b), this Agreement does not restrain the free transfer of the Project entitlements or the Property.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

DEVELOPER:

RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation

By: _____
Print Name: _____
Title: _____

CITY:

CITY OF JURUPA VALLEY,
a municipal corporation

By: _____
Print Name: _____
Title: _____

APPROVED AS TO FORM:

Peter Thorson, City Attorney

CALIFORNIA ALL-PURPOSE 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 _____

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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE 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 _____

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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE 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 _____

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, and that by his/her/their signature(s) on the
instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT "B"

AFFORDABLE HOUSING COST DESCRIPTION

(Attached)

AFFORDABLE HOUSING COST

The following is a summary of applicable statutes and regulations currently in effect that should be used to calculate the sales price for the Affordable Units such that it results in an affordable housing cost; however, the actual current statutes and regulations must be reviewed.

Under California Health and Safety Code Section 50052.5(b)(2), the maximum affordable housing cost for a very low income household is thirty percent (30%) of fifty percent (50%) of the Area Median Income, adjusted for family size appropriate to the unit. (The phrase “adjusted for family size appropriate to the unit” used in California Health and Safety Code Section 50052.5(b) shall mean a household of four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit; but affordable housing cost shall be based on actual family size if less than such number of persons.)

Riverside County Area Median Income (based on 25 California Code of Regulations 6932, and published by the California Department of Housing and Community Development (HCD) in May 2025, but subject to adjustment annually) is as follows:

Household Size	AMI
2	\$44,750
3	\$50,350
4	\$55,950
5	\$60,450
6	\$64,900

Housing cost is defined in 25 California Code of Regulations Section 6920 as follows:

“Housing cost” of a person or family purchasing a housing unit shall include all of the following associated with that housing unit:

- (a) Principal and interest on a mortgage loan including any rehabilitation loans, and any loan insurance fees associated therewith;
- (b) Property taxes and assessments;
- (c) Fire and casualty insurance covering replacement value of property improvements;
- (d) Property maintenance and repairs;
- (e) A reasonable allowance for utilities, including garbage collection, sewer, water, electricity, gas, and other heating, cooking, and refrigeration fuels. Utilities does not include telephone service. Such an allowance shall take into consideration the cost of an adequate level of service;
- (f) Homeowner association fees; and
- (g) Space rent, if the housing unit is situated on rented land.

Monthly housing cost of a purchaser shall be an average of estimated costs for the next twelve months.

Gross Income is defined in 25 California Code of Regulations Section 6914 as follows:

“Gross income” shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income. If the circumstances are such that it is not reasonably feasible to anticipate a level of income over a twelve-month period, a shorter period may be used subject to a redetermination at the end of such a period.

“Income” shall consist of the following:

(a) Except as provided in subdivision (b), all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income of a family. Income shall include, but not be limited to:

(1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;

(2) The net income from operation of a business or profession or from rental or real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);

(3) Interest and dividends;

(4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker’s compensation and severance pay (but see subdivision (b)(3)).

(6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus

(B) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,

(7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse (but see subdivision (b)(5)).

Where a family has net family assets in excess of \$5,000, income shall include the actual amount of income, if any, derived from all of the net family assets or 10 percent of the value of all such assets, whichever is greater. For purposes of this section, net family assets means value of equity in real property other than the household's full-time residence, savings, stocks, bonds, and other forms of capital investment. The value of necessary items such as furniture and automobiles shall be excluded.

(b) The following items shall not be considered as income:

(1) Casual, sporadic or irregular gifts;

(2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workers' compensation), capital gains and settlement for personal or property losses;

(4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes of which are available for subsistence are to be included in income;

(5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;

(6) Relocation payments made pursuant to federal, state, or local relocation law;

(7) Foster child care payments;

(8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;

(9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:

(A) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.

(B) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster Grandparent

Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executives (ACE)

EXHIBIT "C"

**DESCRIPTION/LOCATIONS OF AFFORDABLE UNITS AND
PROJECT PHASING PLAN**

EXHIBIT "D"

FORM OF DEED OF TRUST AND ASSIGNMENT OF RENTS

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509

Attn: _____

**SPACE ABOVE THIS LINE FOR
RECORDER'S USE**

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS (this "Deed of Trust") is dated as of _____, 202__, and is executed by _____ ("Trustor"), in favor of the City of Jurupa Valley, as "Trustee," for the benefit of the CITY OF JURUPA VALLEY, a California municipal corporation, as "Beneficiary."

Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that certain land in Riverside County, California, described on Exhibit "A" attached hereto;

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to Trustor to collect and apply such rents, issues, and profits;

TOGETHER WITH all buildings and improvements of every kind and description now or hereafter erected or placed thereon, and all fixtures, including but not limited to all gas and electric fixtures, engines and machinery, radiators, heaters, furnaces, heating equipment, laundry equipment, steam and hot water boilers, stoves, ranges, elevators and motors, bath tubs, sinks, water closets, basins, pipes, faucets and other plumbing and heating fixtures, mantels, cabinets, refrigerating plant and refrigerators, whether mechanical or otherwise, cooking apparatus and appurtenances, and all shades, awnings, screens, blinds and other furnishings, it being hereby agreed that all such fixtures and furnishings shall to the extent permitted by law be deemed to be permanently affixed to and a part of the realty;

TOGETHER WITH all building materials and equipment now or hereafter delivered to the premises and intended to be installed therein;

TOGETHER WITH all articles of personal property owned by the Trustor now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the lands described which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal

property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to the building or buildings in any manner.

All of the foregoing, together with the real property described in Exhibit "A", is herein referred to as the "Property."

For the Purpose of Securing:

- (1) Performance of each agreement of Trustor herein.
- (2) Payment of the sums evidenced by that certain promissory note (the "Note") of substantially even date herewith, as may be hereafter amended, executed by Trustor, as maker, in favor of Beneficiary, as payee, pursuant to that certain Resale Restriction Agreement between Trustor and Maker ("Agreement").

Trustor agrees:

- (1) That it shall faithfully perform each and every covenant contained in, and otherwise comply with, the Note and the Agreement.
- (2) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (3) To pay at least ten (10) calendar days before delinquency all taxes and assessments affecting the Property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto (provided, however, that Trustor may dispute in good faith any such tax or assessment after posting bond on same).
- (4) That should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary, without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes with written notice to Trustor; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay its reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time the statement is made.

(6) The Trustor further covenants that it will not voluntarily create, suffer, or permit to be created against the Property any lien or liens except as authorized by Beneficiary and further that it will keep and maintain the Property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on the Property, or will cause the release of or will provide a bond against any such liens within ten (10) days of the attachment of the lien or liens.

(7) Beneficiary shall apply insurance and condemnation proceeds as may be required by California law, before applying to obligations secured by the Deed of Trust, but use and application of insurance and condemnation proceeds shall be subject to rights of holders of any senior deed of trust.

(8) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(9) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of the Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(10) That upon written request of Beneficiary stating that all sums secured hereby have been paid or forgiven by Beneficiary, and upon surrender of the Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

(11) That Trustor hereby absolutely and unconditionally assigns and transfers to Beneficiary all the rents, income and profits of the Property encumbered hereby, and hereby gives to and confers upon Beneficiary the right, power and authority to collect such rent, income, and profits, and Trustor irrevocably appoints Beneficiary Trustor's true and lawful attorney at the option of Beneficiary, at any time, to give receipts, releases and satisfactions and to sue, either in the name of Trustor or in the name of Beneficiary, for all income, and apply the same to the indebtedness secured hereby; provided, however, so long as no default by Trustor in the payment of any indebtedness

secured hereby shall exist and be continuing beyond any applicable cure period expressly provided therein, then, Trustor shall have the right to collect all rent, income and profits from the Property and to retain, use and enjoy the same. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(12) That upon default by Trustor in payment of any indebtedness secured hereby; and upon any default in performance of any agreement hereunder which default remains uncured after ten (10) days' written notice to Trustor (or such longer period as may be expressly provided in the Agreement if applicable to the default), Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of the notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at the sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(13) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the

Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title estate, rights, powers and duties. The instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

(14) That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the Note, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(15) If Trustor shall die or sell, convey, hypothecate, transfer, encumber or alienate the Property, or any part thereof, or any interest therein, or shall be divested of title or any interest therein in any manner or way, whether voluntarily or involuntarily, prior to the expiration of the Agreement and in violation of the Agreement, without the written consent of the Beneficiary being first had and obtained, or if Trustor shall fail to make any payment due under the Note, or fail to perform any other obligation under this Deed of Trust or the Note, or any other deed of trust encumbering the Property or other promissory note or agreement secured thereby, then subject to any required written notice of default and any cure period applicable to such default, Beneficiary shall have the right, at its option, to declare any indebtedness or obligations secured hereby, irrespective of the maturity date specified in any note evidencing the same, immediately due and payable.

(16) That Trustor shall promptly pay when due the payments of interest, principal, and all other charges accruing under any superior or prior trust deed, mortgage, or other instrument encumbering the Property. Beneficiary shall have the right, but not the obligation, to cure any defaults on any superior or prior deed of trust or promissory note secured thereby and upon curing such default Trustor shall immediately reimburse Beneficiary for all costs and expenses incurred thereby, together with interest thereon at the maximum legal rate permitted to be charged by non-exempt lenders under the State of California, and Trustor's failure to pay such amount on demand shall be a breach hereof. Trustor's breach or default of any covenant or condition of any superior or prior trust deed, mortgage or other instrument encumbering the Property shall be a default under this Deed of Trust.

(17) Beneficiary shall have the right to declare all sums under the Note secured hereby immediately due and payable as provided in the Note.

(18) The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder (and any other notices hereunder) be mailed to it at the address of the property/unit described in the Deed of Trust, which is:

Jurupa Valley, CA _____

(19) Upon receipt by Beneficiary of all principal and interest payable to it under the Note and any other sums payable to it under this Deed of Trust, the entity receiving such payments shall have no further rights under the Note or this Deed of Trust and shall promptly execute and deliver (and cause to be acknowledged, as applicable) any and all documents (including, without limitation, assignment, quitclaim, amendment, and/or termination documents) requested in good faith by the entity that has not been fully paid or by the Trustee hereunder to confirm or evidence that the entity that has been fully paid shall have no further rights under the Note and this Deed of Trust.

TRUSTOR:

Print Name: _____

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 _____)

On _____, before me, _____,
(insert name and title of the officer)

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" to Deed of Trust

Legal Description of Affordable Dwelling Unit parcel

DRAFT

EXHIBIT "E"

FORM OF SECURED PROMISSORY NOTE ("CITY NOTE")

SECURED PROMISSORY NOTE

_____, 202__

Jurupa Valley, California

FOR VALUE RECEIVED (specifically, the ability to purchase a home at an affordable sales price that is below fair market value), the undersigned, _____ (“Maker”) having its address at _____, promises to pay to the order of the CITY OF JURUPA VALLEY (“City”), at 8930 Limonite Avenue, Jurupa Valley, CA 92509, [the sum of _____ (\$ _____)][AMOUNT BY WHICH APPRAISED FAIR MARKET VALUE OF HOME WITHOUT AFFORDABILITY RESTRICTIONS AT TIME OF SALE TO MAKER, EXCEEDS AFFORDABLE/DISCOUNTED PURCHASE PRICE PAID BY MAKER] upon any sale by Maker as the seller of the home at _____ in violation of that certain Resale Restriction Agreement between City and Maker dated substantially concurrently herewith (“Agreement”).

This Secured Promissory Note shall be automatically cancelled upon a sale by Maker of such home in accordance with the Agreement and delivery to City of a replacement promissory note in the form of this Secured Promissory Note executed by the buyer of the home in the amount by which the appraised fair market value of the home at the time of sale exceeds the purchase price paid by such buyer, and execution (duly acknowledged) and recording of a replacement deed of trust in the form described in Section 2 below.

1. Interest. The sums described herein shall bear interest from the date it is due until the date repaid, at the maximum rate permitted by law.

2. Secured by Deed of Trust; Subordination of City Deed of Trust. Repayment of this promissory note is secured by a deed of trust (the “Deed of Trust”) dated substantially concurrently herewith and executed by Maker for the benefit of City encumbering the property described in the Deed of Trust (i.e., the affordable home being purchased by Maker at the affordable sales price). The City Manager may execute and deliver a reasonable recordable subordination agreement with the purchase money lender to the qualified buyer subordinating the City’s Deed of Trust (but not the Agreement) to the purchase money loan deed of trust of such a lender if necessary to enable the qualified buyer to purchase the home from Maker.

3. Miscellaneous.

(a) Governing Law. This promissory note shall be governed by the laws of the State of California.

(b) Entire Agreement. This promissory note, the Deed of Trust and the Agreement constitute the entire agreement and understanding between and among the

parties in respect of the subject matter of such agreements and supersede all prior agreements and understandings with respect to such subject matter, whether oral or written.

(d) Time of the Essence. Time is of the essence with respect to every provision hereof.

(e) Waivers by Maker. Maker waives: presentment; demand; notice of dishonor; notice of default or delinquency; notice of acceleration; notice of protest and nonpayment; notice of costs, expenses or losses and interest thereon; and diligence in taking any action to collect any sums arising under this promissory note.

(f) Non-waivers. No previous waiver and no failure or delay by City in acting with respect to the terms of this promissory note or the Deed of Trust shall constitute a waiver of any breach, default, or failure of condition under this promissory note or the Deed of Trust. A waiver of any term of this this promissory note or the Deed of Trust must be made in writing and shall be limited to the express written terms of such waiver.

MAKER:

Print Name: _____

EXHIBIT "F"

FORM OF RESALE RESTRICTION AGREEMENT (AFFORDABLE HOUSING AGREEMENT AND DENSITY BONUS)

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509
Attn: City Clerk

APN: 183-030-014

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Document is recorded for the benefit of the City of Jurupa Valley and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

RESALE RESTRICTION AGREEMENT (AFFORDABLE HOUSING AGREEMENT AND DENSITY BONUS)

THIS RESALE RESTRICTION AGREEMENT (AFFORDABLE HOUSING AGREEMENT AND DENSITY BONUS) (this "Agreement"), is entered into as of _____, 202__, by and between the CITY OF JURUPA VALLEY, a municipal corporation (the "City") and _____ (collectively "Buyer") (individually a "Party" and together the "Parties").

RECITALS

A. Richmond American Homes of Maryland, Inc., a Maryland Corporation ("Developer") applied to the City for approvals to construct a project on certain real property located in the City of Jurupa Valley, County of Riverside, State of California consisting of "for sale" detached single-family homes, three of which are restricted of record for sale only at prices reflecting an affordable housing cost for the required income category of the buyer.

B. Buyer has purchased the affordable home located on the land described on Exhibit "A" (the home and such land being collectively referred to herein as the "Affordable Unit") which is one of those restricted affordable homes (the "Property").

C. The Developer has been granted a twenty percent (20%) density bonus consisting of twelve (12) units of increased density, and a waiver of certain development standards (the "Density Bonus Law Benefits"). Such Density Bonus Law Benefits are

given in exchange for Developer restricting the three (3) units for sale to Very Low Income Households at an Affordable Housing Cost (as such capitalized terms are defined herein), subject to the equity sharing provisions herein, with the understanding that for the term of this Agreement, the three (3) Affordable Units are intended to remain owner-occupied after the initial sale to a Very Low Income Household.

F. To ensure continued affordability of the restricted units for the applicable Term, this Agreement shall be executed and recorded against the Property immediately after the deed to the Buyer and prior to the recordation of any deed of trust or other lien, and it shall be a condition to any sale by Buyer that the purchaser execute, acknowledge, deliver and record, as applicable a new promissory note, deed of trust and resale restriction agreement, as hereinafter set forth.

[CITY MUST SEND ESCROW INSTRUCTIONS TO THE ESCROW FOR THE SALE, AND IN THE CASE OF SALES AFTER THE INITIAL SALE BY DEVELOPER, SHOULD ENCLOSE A RECON FOR THE DEED OF TRUST THEN ENCUMBERING THE HOME, AND CONDITION ITS USE UPON RECEIPT/RECORDING OF A NEW DEED OF TRUST FROM THE BUYER, AND DELIVERY DIRECTLY TO CITY OF NEW PROMISSORY NOTE FROM THE BUYER WHICH SUCH NEW DEED OF TRUST WILL SECURE]

NOW, THEREFORE, the Parties agree as follows.

AGREEMENT

The above recitals are true and accurate and are incorporated into this Agreement by this reference.

ARTICLE 1 DEFINITIONS AND EXHIBITS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) “Affordable Housing Cost” is the affordable housing cost described in California Health and Safety Code 50052.5, and 25 California Code of Regulations Sections 6920 and 6924, or successor provisions, for a Very Low Income Household, with Area Median Income adjusted for household size appropriate to the Affordable Unit (i.e., two persons in a one-bedroom Affordable Unit, three persons in a two-bedroom Affordable Unit, four persons in a three-bedroom Affordable Unit and five persons in a four bedroom Affordable Unit), also described in Exhibit “B”.

(b) “Area Median Income” is the median household Income in Riverside County as published annually pursuant to 25 California Code of Regulations Section 6932 (or successor provision) by the California Housing and Community Development Department (“HCD”).

(c) "City Deed of Trust" means a deed of trust, in a form provided by the City, executed by the buyer of the Affordable Unit at the time of purchase and recorded against such Affordable Unit, which City Deed of Trust secures such buyer's performance under a Resale Restriction Agreement, and the new City Note executed by Buyer and delivered to City.

(d) "City Note" means a promissory note, in a form provided by the City, and executed by the buyer of the Affordable Unit at the time of buyer's purchase of the Affordable Unit (in an amount equal to the amount by which the appraised fair market value of the Affordable Unit without restrictions exceeds the affordable sales price to the buyer).

(e) "Eligible Buyer" means a household that meets the income qualifications for a Very Low Income Household.

(f) "Homebuyer Disclosure" means the homebuyer disclosure statement, in a form provided by the City, to be executed by each Eligible Buyer as a condition to purchase of an Affordable Unit.

(g) "Household Income" means the combined gross, pre-tax income of all adult (18 years or older) occupants of the applicant household, as described in 25 California Code of Regulations Section 6914, or successor provision. Sources of household income include all wages or salaries, overtime pay, commissions, fees, tips, bonuses and other compensation, net income from a business or profession or from the rental of real or personal property, interest and dividends, payments received from social security, annuities, insurance policies, distributions from retirement funds, pensions, disability or death benefits, payments in lieu of earnings, public assistance, alimony and child support received, and any other source of income.

(h) "Resale Restriction" means a Resale Restriction Agreement in the form provided by the City, to be executed by the buyer of the Affordable Unit and recorded against the Affordable Unit at the time of purchase by the buyer.

(i) "Term" is the period that commences on the date that such Affordable Unit is first sold by Developer in accordance with this Agreement and that terminates forty-five (45) years after that date.

(j) "Very Low Income Household" is a household described in California Health and Safety Code 50105 with a Household Income of no greater than the maximum income for very low income households, as published annually for Riverside County pursuant to 25 California Code of Regulations Section 6932, or successor provision. "Very Low Income Households" includes extremely low income households, as defined in Section 50106.

Section 1.2 Exhibits. The following exhibits are attached to and incorporated into this Agreement:

Exhibit A Legal Description of the Parcel Containing the Affordable Unit

ARTICLE 2
RESTRICTIONS

Section 2.1 Affordable Unit Restrictions; Equity Sharing; Termination of Agreement.

(a) The Affordable Unit may be re-sold only in accordance with the following:

(i) to a Very Low Income Household at a price that will result in an Affordable Housing Cost and, subject to compliance with the equity sharing provisions in Section 2.1(d) below, it being understood that each owner after Developer of the Affordable Unit may not sell the Affordable Unit except to a Very Low Income Household at a price that will result in an Affordable Housing Cost, however, if any such owner sells the Affordable Unit to a person or household with an income in excess of the income permitted for a Very Low Income Household or at a price in excess of the price that would result in an Affordable Housing Cost, then such subsequent owner shall comply with Section 2.1(d) below (equity sharing);

(b) The Affordable Unit shall not be leased, but shall remain owner-occupied.

(c) The following shall apply to any subsequent sale of the Affordable Unit at a cost in excess of the price that would result in an Affordable Housing Cost:

(i) Upon resale, the seller of the Affordable Unit shall retain the value of any documented improvements made by the seller, the documented down payment, and the seller's proportionate share of appreciation (determined by application of clause (iv) below).

(ii) The City shall recapture (be paid) the Initial Subsidy Amount (defined in clause (iii) below) and the City's proportionate share of appreciation, as described in clause (iv) below (which amount shall be used within five years for any of the purposes described in subdivision (e) of Section 33334.2 of the California Health and Safety Code that promote home ownership).

(iii) The "Initial Subsidy Amount" shall be equal to the fair market value of the Affordable Unit at the time of initial sale (as determined by City in good faith) minus the initial sale price to the Very Low Income Household (plus the amount of any down payment assistance or mortgage assistance provided by the City, if applicable). If upon resale the market value is lower than the initial market value, then the value at the time of the resale (as determined by City in good faith) shall be used as the initial market value.

(iv) The City's proportionate share of appreciation shall be equal to the ratio of the City's Initial Subsidy Amount to the fair market value of the Affordable Unit at the time of initial sale (as determined in good faith by the City). The remainder shall be the seller's proportionate share of appreciation.

ARTICLE 3 REGULATORY PROVISIONS

Section 3.1 Income Certification and Reporting.

(a) Income Certification.

(i) Prior to Buyer entering into a purchase and sale agreement with a prospective buyer of the Affordable Unit, the prospective buyer's household shall be certified by the City as a Very Low Income Household.

(ii) The Developer or subsequent owner, as applicable, will obtain, and maintain on file complete Household Income certifications for the prospective buyer and shall verify that the Household Income certifications provided by a prospective buyer are accurate by taking two or more of the following steps as a part of the verification process for all members of the household age eighteen (18) or older:

(a) obtaining a minimum of the three (3) most current pay stubs;

(b) obtaining an income tax return for the most recent tax year, or if the member is unemployed and has no such tax return, obtain another form of independent verification;

(c) conducting a credit agency or similar search;

(d) obtaining the three (3) most current savings and checking account bank statements;

(e) obtaining an income verification form from a current employer;

(f) obtaining an income verification form from the Social Security Administration and/or the California Department of Social Services if an adult member of the household receives assistance from either of such agencies; or

(iii) As an alternative to the procedure described in subparagraph (ii) of this subsection (c) for Developer, Developer may contract with a provider approved by the City in writing to certify Household Income.

(b) City Inspection/Inquiry Rights. City shall have the right to contact the occupant(s) of the Affordable Unit in order to verify information about their ownership and occupancy and compliance with the leasing prohibition.

Section 3.2 Sale Restricted to Very Low Income Households.

(a) Buyer and subsequent owners of an Affordable Unit shall sell the Affordable Unit to a Very Low Income Households at a price not in excess of a price that will result in an Affordable Housing Cost to the buyer, or in accordance with the procedures for equity sharing above. Buyer and owners of the Affordable Units shall certify to the City, on a form provided by the City, the income of any buyer and the Affordable Housing Cost (maximum sales price) prior to any sale, and shall provide City with a copy of the applicable purchase agreement and any amendments prior to any sale and information about any purchase money loan being used by the buyer, as necessary for the City to verify Affordable Housing Cost. Upon written request from City, owner shall deliver to City a completed income computation and certification form as may be reasonably required by the Community Development Director of the City from time to time, together, with such information as may be reasonably required by the Community Development Director. City shall have the continuing right to require from owners of Affordable Units who are selling an Affordable Unit other evidence necessary or convenient to verify that the restrictions, limitations and requirements of this Agreement are being complied with.

(b) Developer or other seller may not charge or receive any additional amount for the Affordable Units regardless of whether the additional amount is (i) for options, upgrades, or additional improvements to the Affordable Unit, (ii) paid through escrow or outside of escrow, (iii) paid prior to, after or as part of the purchase escrow or (iv) paid in cash or in kind, unless a reasonable accommodation is approved by the City for a buyer requiring options or accommodations related to a disability, in which any additional cost shall be paid through escrow with prior written approval by City.

(c) The City or its designee shall verify a potential buyer's eligibility pursuant to this Agreement before Developer or any subsequent owner/seller of an Affordable Unit may accept an offer to purchase the applicable Affordable Unit. City shall use good faith efforts to approve or disapprove the income eligibility of the applicant within twenty (20) business days of Developer or any subsequent owner/seller's submission of all required documents verifying income; in the event City is not able to respond within 20 business days, Developer or any subsequent owner/seller shall have the option to give written notice to the City requesting prompt action after which the City shall use good faith efforts to approve or disapprove the income eligibility of the applicant within fifteen (15) days of such written notice.

Section 3.3 Compliance Reports, Inspections, Monitoring. Within five (5) business days following the sale of the Affordable Unit, Buyer as seller shall forward, or shall cause escrow officer to forward to the City, copies of the buyer's and seller's settlement statement and all closing documents, including the recorded Resale Restriction, recorded City Note, recorded City Deed of Trust, and Homebuyer Disclosure executed in connection with the sale. Buyer shall retain all records related to compliance with obligations under this Agreement for a period of two years from the date of sale of all units in the Project and make them available to City employees or

others designated by the City for inspection and copying on five business days' written notice.

Section 3.4 Residency Requirement. In compliance with Jurupa Valley Municipal Code Section 9.267.080(G), the Buyer shall reside in the Affordable Unit as such person's principal residence for at least ten (10) out of every twelve (12) consecutive months unless actively serving in the United States military. Notwithstanding this requirement, the Buyer may live elsewhere for a period up to six (6) months every five (5) years on account of hardships, including, but not limited to, medical reasons, the need to assist family member in crisis or medical need, and relocation for employment purposes, subject to verification by the Community Development Director.

ARTICLE 4 ENFORCEMENT

Section 4.1 Covenants Running with the Land. The City and Buyer hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall apply to and bind Buyer, and its successors, transferees, and assignees having or acquiring any right, title or interest in or to any part of the Affordable Unit and shall run with and burden the Affordable Unit until terminated. Until such termination has been recorded, each and every contract, deed or other instrument hereafter executed covering or conveying the Affordable Unit shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument. In the event of foreclosure or transfer by deed-in-lieu of all or any portion of an Affordable Unit prior to completion and sale of the Affordable Unit, title to the Affordable Unit shall be taken subject to this Agreement. Buyer acknowledges that no event of foreclosure or trustee's sale may extinguish or remove these requirements from the Affordable Unit.

Section 4.2 Default. Failure of an owner of an Affordable Unit to perform, satisfy or comply with any of its obligations or covenants under the terms of this Agreement within thirty (30) days after the delivery of a notice of default from the City will constitute a default under this Agreement. In addition to remedies for breach of this Agreement, the City may exercise any and all remedies available to it including but not limited to:

(a) suspending or revoking any permit, license, subdivision approval or map, or other entitlement for the Affordable Unit, including without limitation certificate of occupancy;

(b) instituting a civil action for declaratory relief, injunction or any other equitable relief, or relief at law, including without limitation an action to rescind a transaction and/or to require repayment of any funds received in connection with such a violation;

(c) where one or more persons have received financial benefit as a result of violation of this Agreement, the City may assess, and institute legal action to recover the amount of financial benefit received;

(d) requiring Developer or subsequent owner, as applicable, to pay the City rent or any other payment received for the Affordable Unit from the date of any unauthorized rental of the Affordable Unit; and

(e) any other means authorized under any federal or state statute or applicable law.

(f) Declaring all sums evidenced by the Promissory Note execute by Buyer be due and payable, and if not paid, instituting and proceeding with nonjudicial foreclosure of the Deed of Trust encumbering the Affordable Unit that secures said Promissory Note.

Section 4.3 Remedies Cumulative. No right, power, or remedy given to the City by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the City by the terms of this Agreement or by any statute or ordinance or otherwise against Buyer and any other person. Neither the failure nor any delay on the part of the City to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the City of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

ARTICLE 5 SUCCESSORS AND ASSIGNS; TRANSFERS

Section 5.1 Successors and Assigns. The Parties hereto each agree that the obligations and duties contained herein shall be binding upon the City and Buyer and their respective successors and assigns, and Buyer's successors-in-interest, including all subsequent owners of the Affordable Unit. The covenants contained in this Agreement shall inure to the benefit of the City and its successors and assigns and shall run in favor of City without regard to whether City has been, remains, or is an owner of any land or interest thereon.

Section 5.2 Termination of Agreement. Upon sale of an Affordable Unit to an Eligible Buyer in compliance with this Agreement and recordation of a new Resale Restriction (in first/senior position immediately after the deed) and City Deed of Trust, executed by the buyer, and delivery of a new Promissory Note by the Eligible Buyer to the City, this Agreement shall terminate as to the Affordable Unit.

ARTICLE 6 FUTURE SALE/BUYER DOCUMENTS

Section 6.1 Prior to the re-sale of the Affordable Unit, Buyer (as seller) shall ensure that:

(a) The new Eligible Buyer and the City execute a Resale Restriction which shall restrict the resale price of the Affordable Unit for the Term. The Resale Restriction shall be recorded against the Affordable Unit at close of escrow on the sale to the Eligible Buyer. The Resale Restriction shall be recorded senior to the lien of the deed of trust securing the Eligible Buyer's purchase money secured loan.

(b) The Eligible Buyer shall execute and deliver a City Note in the form required by City, which shall be in substantially the same form as the Buyer as seller has executed and delivered to City. .

(c) The Eligible Buyer signs a City Deed of Trust to secure performance of the Eligible Buyer's covenants under the Resale Restriction and payment of the amounts due under the new City Note if the Eligible Buyer fails to comply with the terms of the new Resale Restriction. The City Manager may execute a reasonable recordable subordination agreement subordinating the new City Deed of Trust to the deed of trust of the purchase money lender to the new Eligible Buyer, if necessary for the new Eligible Buyer to obtain such a loan.

ARTICLE 7 GENERAL PROVISIONS

Section 7.1 Appointment of Other Agencies. At its sole discretion, the City may designate, appoint or contract with any other public agency, for-profit or non-profit organization to perform some or all of the City's obligations under this Agreement.

Section 7.2 Nondiscrimination. Buyer shall not give preference to any particular class or group of persons in selling the Affordable Unit, except to the extent that the Affordable Units are required to be sold to Very Low Income Households and as required by this Agreement; provided, however, there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g., SSI), age (except for lawful senior housing), ancestry, or disability, in the sale of the Affordable Unit.

Section 7.3 Effect and Duration of Nondiscrimination and Nonsegregation Requirements. Section 7.2 shall remain in effect in perpetuity and shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties, or other transferees under the instrument.

Section 7.4 Notices. All notices required pursuant to this Agreement shall be in writing and may be given by certified mail, return receipt requested, or reputable overnight delivery service (for next business day delivery) to the Party to receive such notice at the address set forth below for such Party:

TO THE CITY:

City of Jurupa Valley
8930 Limonite Avenue

Jurupa Valley, CA 92509
Attn: City Clerk

TO BUYER:

L

To the Affordable Unit.

City may change the address to which notices are to be sent to it by notifying the other Party of the new address, in the manner set forth above.

Section 7.5 Integrated Agreement. This Agreement constitutes the entire Agreement between the Parties and no modification hereof shall be binding unless reduced to writing and signed by the Parties hereto.

Section 7.6 Each Party's Role in Drafting the Agreement. Each Party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither Party shall rely upon Civil Code Section 1654 in order to interpret any uncertainty in the meaning of the Agreement.

Section 7.7 Amendment. Amendments to this Agreement must be in writing and must be approved by the City Council, executed by City and the then-owner of the Affordable Unit in question, and recorded against such Affordable Unit.

(a) The City has authorized the City Manager to execute this Agreement and has authorized the Community Development Director to deliver such approvals or consents as are required by this Agreement.

Section 7.8 Applicable Law. This Agreement shall be governed by California law. Venue shall be the County of Riverside.

Section 7.9 Waivers. Any waiver by the City of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the City to take action on any breach or default or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the City to any act or omission shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the City's written consent to future waivers.

Section 7.10 Counterparts. This Agreement may be executed in counterparts, each of which and all of which together shall constitute one and the same agreement.

Section 7.11 Recording of Agreement. This Agreement shall be recorded against the Affordable Unit in the Official Records of the County of Riverside prior to the recordation of any deed of trust or other lien.

Section 7.12 Severability. In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is to be held invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall nevertheless be and remain in full force and effect.

Section 7.13 Time is of the Essence. Time is of the essence with respect to each and every term and condition hereof.

Section 7.14 No Third Party Beneficiaries. There are no third-party beneficiaries of this Agreement.

Section 7.15 Mortgagees Protection. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement shall defeat or render invalid, or in any way impair the lien or charge of any deed of trust recorded against the Affordable Unit (including any amendments, restatements or other modifications thereto), or restrict or limit the rights and remedies of any holder of a Deed of Trust ("Mortgagee"); provided, however, that any Mortgagee and any subsequent owner of the Property shall be bound by the covenants, conditions, restrictions, limitations and provisions of this Agreement, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

Section 7.16 Attorneys' Fees. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the party prevailing in any such action shall be entitled to recover against the party not prevailing all reasonable attorneys' fees and costs incurred in such action (including, without limitation, all reasonable legal fees incurred in any appeal or in any action to enforce any resulting judgment).

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER (OWNER):

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

CITY:

CITY OF JURUPA VALLEY,
a municipal corporation

By: _____
Print Name: _____
Title: _____

APPROVED AS TO FORM:

_____, City Attorney

CALIFORNIA ALL-PURPOSE 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 _____

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, and that by his/her/their signature(s) on the
instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF _____

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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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

Place Notary Seal Above

Signature of Notary Public

DRAFT

EXHIBIT "A" TO SECURED PROMISSORY NOTE

LEGAL DESCRIPTION OF THE PARCEL CONTAINING THE AFFORDABLE UNIT

EXHIBIT "B" TO SECURED PROMISSORY NOTE

AFFORDABLE HOUSING COST

The following is a summary of applicable statutes and regulations currently in effect that should be used to calculate the sales price for the Affordable Units such that it results in an affordable housing cost; however, the actual current statutes and regulations must be reviewed.

Under California Health and Safety Code Section 50052.5(b)(2), the maximum affordable housing cost for a very low income household is thirty percent (30%) of fifty percent (50%) of the Area Median Income, adjusted for family size appropriate to the unit. (The phrase "adjusted for family size appropriate to the unit" used in California Health and Safety Code Section 50052.5(b) shall mean a household of four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit; but affordable housing cost shall be based on actual family size if less than such number of persons.)

Riverside County Area Median Income (based on 25 California Code of Regulations 6932, and published by the California Department of Housing and Community Development (HCD) in May 2025, but subject to adjustment annually) is as follows:

Household Size	AMI
2	\$44,750
3	\$50,350
4	\$55,950
5	\$60,450
6	\$64,900

Housing cost is defined in 25 California Code of Regulations Section 6920 as follows:

"Housing cost" of a person or family purchasing a housing unit shall include all of the following associated with that housing unit:

- (a) Principal and interest on a mortgage loan including any rehabilitation loans, and any loan insurance fees associated therewith;
 - (b) Property taxes and assessments;
 - (c) Fire and casualty insurance covering replacement value of property improvements;
 - (d) Property maintenance and repairs;
 - (e) A reasonable allowance for utilities, including garbage collection, sewer, water, electricity, gas, and other heating, cooking, and refrigeration fuels. Utilities does not include telephone service. Such an allowance shall take into consideration the cost of an adequate level of service;
 - (f) Homeowner association fees; and
 - (g) Space rent, if the housing unit is situated on rented land.
- Monthly housing cost of a purchaser shall be an average of estimated costs for the next twelve months.

Gross Income is defined in 25 California Code of Regulations Section 6914 as follows:

“Gross income” shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income. If the circumstances are such that it is not reasonably feasible to anticipate a level of income over a twelve-month period, a shorter period may be used subject to a redetermination at the end of such a period.

“Income” shall consist of the following:

(a) Except as provided in subdivision (b), all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income of a family. Income shall include, but not be limited to:

(1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;

(2) The net income from operation of a business or profession or from rental or real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);

(3) Interest and dividends;

(4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker’s compensation and severance pay (but see subdivision (b)(3)).

(6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus

(B) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,

(7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse (but see subdivision (b)(5)).

Where a family has net family assets in excess of \$5,000, income shall include the actual amount of income, if any, derived from all of the net family assets or 10 percent of the value of all such assets, whichever is greater. For purposes of this section, net family assets means value of equity in real property other than the household's full-time residence, savings, stocks, bonds, and other forms of capital investment. The value of necessary items such as furniture and automobiles shall be excluded.

(b) The following items shall not be considered as income:

(1) Casual, sporadic or irregular gifts;

(2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workers' compensation), capital gains and settlement for personal or property losses;

(4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes of which are available for subsistence are to be included in income;

(5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;

(6) Relocation payments made pursuant to federal, state, or local relocation law;

(7) Foster child care payments;

(8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;

(9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:

(A) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.

(B) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster Grandparent Program, Older

American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executives (ACE).

EXHIBIT G

FORM OF TERMINATION OF AFFORDABLE HOUSING AGREEMENT

TERMINATION OF AFFORDABLE HOUSING AGREEMENT

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509
Attn: City Clerk

APN: 183-030-014

(Space Above This Line for Recorder's Use Only)
Exempt from recording fee per Gov. Code §27383

TERMINATION OF AFFORDABLE HOUSING AGREEMENT

THIS TERMINATION OF AFFORDABLE HOUSING AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20__ ("Effective Date"), by and between the City of Jurupa Valley, a municipal corporation ("City") and Richmond American Homes of Maryland, Inc., a Maryland Corporation (the "Developer" or "Owner").

Recitals

A. City and Owner (or its predecessors in interest) previously entered into that certain Affordable Housing Agreement dated _____, 202__, which was recorded on _____, 202__, as Instrument No. _____ of the Official Records of the County of Riverside (the "Affordable Housing Agreement"), wherein Owner agreed to provide three (3) Affordable Units at the Project site as described in Exhibit A attached hereto (the "Project");

B. Owner's affordable housing obligations applicable to **[INSERT LOT NUMBER AND/OR DESCRIPTION OF AFFORDABLE UNIT THAT WAS SOLD]** in the Project have been satisfied; and

C. City and Owner now desire to memorialize Owner's satisfaction of its obligations under the Affordable Housing Agreement pertaining to the **[INSERT LOT NUMBER OR DESCRIPTION OF AFFORDABLE UNIT THAT WAS SOLD]** in the Project and to terminate the Affordable Housing Agreement as to **[INSERT LOT NUMBER AND/OR DESCRIPTION OF AFFORDABLE UNIT THAT WAS SOLD]** as provided herein.

NOW, THEREFORE, in consideration of the above recitals, all of which are expressly incorporated into this Termination Agreement, and the mutual promises and covenants of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Termination. City and Owner hereby terminate and remove the Affordable Housing Agreement from title to **[INSERT LOT NUMBER AND/OR DESCRIPTION OF AFFORDABLE UNIT THAT WAS SOLD]** in the Project.

2. Continued Effect. Any Resale Restriction, City Note and City Deed of Trust entered into between the City and the owner(s) of the **[INSERT LOT NUMBER AND/OR DESCRIPTION OF AFFORDABLE UNIT THAT WAS SOLD]** shall remain in full force and effect and are not affected by this Agreement.

3. Capitalized Terms. Capitalized terms not defined in this Agreement shall have the meaning given to them in the Affordable Housing Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, City and Owner have executed this Termination of Affordable Housing Obligations as of the date first set forth above.

CITY:

CITY OF Jurupa Valley, a California municipal corporation

By: _____
Rod Butler, City Manager

ATTEST:

By: _____
Maria Morris, City Clerk

DEVELOPER:

Richmond American Homes of Maryland, Inc., a Maryland Corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

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)

On _____ before me, _____,
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)

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)

On _____ before me, _____,
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.

RESOLUTION NO. 2026-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JURUPA VALLEY APPROVING THAT CERTAIN “AFFORDABLE HOUSING AND REGULATORY AGREEMENT, DENSITY BONUS AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS” BETWEEN THE CITY OF JURUPA VALLEY AND RICHMOND AMERICAN HOMES OF MARYLAND, INC.” (WARMINGTON RESIDENTIAL PROJECT)

THE CITY COUNCIL OF THE CITY OF JURUPA VALLEY DOES RESOLVE AS FOLLOWS:

Section 1. Recitals. The City Council finds and determines as follows:

(a) On April 21, 2025, the City Council adopted Resolution No. 2025-35, “A Resolution of the City Council of the City of Jurupa Valley Rescinding the Planning Commission’s Denial of Master Application No. 23357 (Planning Commission Resolution No. 2024-20); Approving an Addendum to the Mitigated Negative Declaration Pursuant to Section 15164 of the California Environmental Quality Act Guidelines; and Approving Master Application No. 23357 Consisting of Tentative Tract Map No. 38888 (TTM 38888) and Site Development Permit No. 23172 (SDP 23172), Approving Density Bonus Application No. 24001 (DB 24001) to Permit the Construction of a Project Consisting of 67 Single Family Detached Homes at 7586 Jurupa Road (APN 183-030-014) all subject to 1) Applicant’s Withdrawal of the Waivers Requested for the Landscaping Requirements of Jurupa Valley Municipal Code Sections 9.240.550(e)(13)(b) and Agreement to Install 36” box trees, and 2) Conditions of Approval; and Repealing Resolution No. 2025-26, Prior Denial of Project (Warmington Residential Project).”

(b) Jurupa Valley Municipal Code Section 9.267.080(A)(2) mandates that an applicant shall execute and cause to be recorded an affordability agreement. The affordability agreement shall be a legally binding, recorded agreement between the applicant and the city, in a form and substance satisfactory to the director and the city attorney, and containing those provisions necessary to ensure that the requirements of this chapter are satisfied, whether through the provision of inclusionary units or through an approved alternative method. Once the residential development including allocated units has received its final discretionary approval, the applicant shall file an application, including payment of any processing and monitoring fees, with the Community Development Department for approval and finalization of the affordability agreement.

(c) Condition of Approval No. 25(b) for the Site Development Permit No. 23172 and Tentative Tract Map No. . 38888 provides that “Prior to or concurrently with the recordation of the final map, the Affordability Agreement shall be recorded.”

(d) The attached “Affordable Housing and Regulatory Agreement, Density Bonus Agreement and Declaration of Restrictive Covenants” Between the City of Jurupa Valley and Richmond American Homes of Maryland, Inc.” (“Affordability Agreement”) ensures that three single family homes shall be restricted for ownership by very low income households for a period of 45 years.

Section 2. Approval of Agreement. The City Council hereby approves the Affordability Agreement and authorizes the City Manager to execute it on behalf of the City in substantially the form presented to the City Council.

Section 3. City Manager Authority. The City Manager (or the City Manager's designee), is hereby authorized, on behalf of the City, to take all actions necessary or convenient to carry out and implement the Affordability Agreement, and to administer the City's obligations, responsibilities and duties to be performed under the Affordability Agreement, including but not limited to, approval of an amendment of the Agreement or other documents related to the Agreement as may be necessary or convenient to implement its substantive provisions and purposes in an efficient manner.

Section 4. Certification. The City Clerk shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Jurupa Valley on this 15th day of December 2026.

BRIAN BERKSON
MAYOR

ATTEST:

MARIA MORRIS
CITY CLERK

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF JURUPA VALLEY)

I, Maria Morris, MMC, City Clerk of the City of Jurupa Valley, do hereby certify that the foregoing Resolution No. 2026-05 as duly adopted and passed at a meeting of the City Council of the City of Jurupa Valley on the 15th day of January 2026, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Jurupa Valley, California, this 15th day of January 2026.

Maria Morris
City Clerk