

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: City Clerk

with a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

Space Above This Line For Recorder's Use

This First Amendment to Housing Agreement is recorded for the benefit of the City of Palm Desert and is exempt from Recording Fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

FIRST AMENDMENT TO HOUSING AGREEMENT

THIS FIRST AMENDMENT TO HOUSING AGREEMENT (this “**Amendment**”) is made and entered into on _____, 2024, by and between the **CITY OF PALM DESERT** a municipal corporation (the “**City**”), and **GERALD FORD APARTMENTS, LP**, a California limited partnership (the “**Owner**”), with reference to the following facts:

WHEREAS, the City entered into a Housing Agreement, dated as of December 15, 2022, and recorded on March 9, 2023 as Instrument No. 2023-0069373 in the Official Records of Riverside County, California, and pertaining to that certain property described in Exhibit A attached hereto, (the “**Agreement**”);

WHEREAS, the table contained in the Agreement describing the number of bedrooms included within the Affordable Units contains an error and the City and the Owner desire to correct such error by amending the Agreement on the terms and conditions hereof; and

NOW, THEREFORE, in consideration of the foregoing, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. All capitalized terms not herein defined shall have the meanings ascribed thereto in the Agreement.

2. The table describing the number of bedrooms contained in the Affordable Units and contained in the definition of “Affordable Unit” within Article 1, Section 1.1 of the Agreement is hereby deleted and replaced with the following:

Bedroom Size	Very Low Income Household Units	Low Income Household Units
Two (2) Bedrooms	18	92
Three (3) Bedrooms	12	27

3. Section 2.1 of the Agreement is amended in its entirety to read as follows:

The Owner shall develop and construct the Apartment Community in conformity with City Council Resolution No. 05-104 and Resolution No. 05-105, City Council Ordinance No. 1102, and Planning Commission Resolution 2813. Thereafter, during the Required Covenant Period, the Owner agrees that not less than one hundred forty-nine (149) units in the Apartment Community shall be Affordable Units under this Agreement, meaning that such units shall be continually available to and occupied by, or held vacant for occupancy only by Low Income Households and Very Low Income Households. One (1) of the two (2) bedroom units in the Apartment Community shall be dedicated for use by an on-site manager. All of the units in the Apartment Community shall be similarly constructed and all of the Affordable Units shall be generally constructed at the same time. At the time of initial construction, the Affordable Units shall be of comparable quality to similar apartment projects within the City which contain income restricted units. The Owner agrees that, to the extent commercially reasonable, Affordable Units will not be underutilized. No persons shall be permitted to occupy any Affordable Unit in excess of the applicable limit of maximum occupancy set by the City's Municipal Code and the laws of the State of California.

4. Except as otherwise modified herein, the terms and provisions of the Agreement shall remain unchanged and are hereby ratified and confirmed.

5. This Amendment shall be governed by, and construed in accordance with, the laws of the State of California.

6. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

**[Remainder of this page intentionally left blank]
[Signatures appear on the following page]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

OWNER:

GERALD FORD APARTMENTS, LP,
a California limited partnership

By: WNG Palm Desert LP,
a California limited partnership,
its administrative general partner

By: Western National Investments,
a California corporation,
its general partner

By: _____
Name: Jeffrey R. Scott
Title: Chief Financial Officer

By: Hearthstone CA Properties IV, LLC,
a California limited liability company,
its managing general partner

By: Hearthstone Housing Foundation,
a California nonprofit public benefit corporation,
its sole member and manager

By: _____
Name: Socorro Vasquez
Title: Executive Director

CITY:

CITY OF PALM DESERT,
a municipal corporation

By: _____
Name: Karina Quintanella
Title: Mayor

ATTEST:

Anthony J. Mejia, City Clerk

ACKNOWLEDGMENT, CONSENT AND AFFIRMATION

_____ is the maker of a [construction/permit loan] (the “**Loan**”) to the Owner with respect to and secured by the Apartment Community, and hereby acknowledges and consents to the foregoing Amendment, and affirms that the Amendment will not result in the subordination of the Agreement to the lien securing the Loan.

Date: _____, 2024 _____,
a _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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 RIVERSIDE

On _____ before me, _____ Notary Public, personally appeared **Karina Quitanella**, 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.

Signature of Notary Public

Place Notary Seal Above

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

On _____ before me, _____ Notary Public, personally appeared **Anthony J. Mejia**, 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.

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STATE OF CALIFORNIA

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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

PARCEL A

PARCEL 1 AS DEPICTED ON EXHIBIT "B" ATTACHED TO THAT CERTAIN PARCEL MAP WAIVER FOR LOT LINE ADJUSTMENT NO, 17-49 RECORDED AUGUST 24, 2017 AS INSTRUMENT NO. 2017-0353036 AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF LOT 14, AND A PORTION OF LOT 13 OF TRACT MAP NO. 33837-1, IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 402, PAGES 4 THROUGH 8, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

COMMENCING AT THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN COURSE ALONG THE SOUTHWESTERLY LINE OF SAID LOT 13, DESCRIBED AS HAVING A BEARING AND DISTANCE OF NORTH 18°22'25" WEST 343.90 FEET ON SAID TRACT MAP;

THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 18°22'25" WEST 100.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID SOUTHWESTERLY LINE NORTH 71°1 0'24" EAST 178.56 FEET;

THENCE NORTH 89°59'24" EAST 149.94 FEET TO THE GENERAL EASTERLY LINE OF SAID LOT 13;

THENCE ALONG SAID GENERAL EASTERLY LINE, AND THE NORTHEASTERLY AND NORTHWESTERLY LINES OF SAID LOT 13, THE FOLLOWING EIGHT (8) COURSES:

NORTH 00°00'00" EAST 171.95 FEET, NORTH 90°00'00" EAST 43.50 FEET, NORTH 00°00'00" EAST 113.00 FEET, NORTH 90°00'00" EAST 61.05 FEET, NORTH 00°00'00" EAST 55.95 FEET, NORTH 35°28'02" EAST 298.62 FEET, NORTH 54°31'58" WEST 358.33 FEET, AND SOUTH 35°28'02" WEST 210.39 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 14;

THENCE ALONG THE NORTHWESTERLY AND SOUTHWESTERLY LINES OF SAID LOT 14 AND SAID SOUTHWESTERLY LINE OF SAID LOT 13, THE FOLLOWING THREE (3) COURSES:

CONTINUING SOUTH 35°28'02" WEST 480.04 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1055.00 FEET, A RADIAL LINE OF SAID CURVE TO SAID POINT BEARS NORTH 70°25'44" EAST;

THENCE SOUTHEASTERLY 22.05 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°11'51";

THENCE SOUTH 18022125" EAST 280.82 FEET TO THE TRUE POINT OF BEGINNING.
PARCEL B

NONEXCLUSIVE DRAINAGE EASEMENTS AS SET FORTH IN THAT CERTAIN "DECLARATION OF COVENANTS REGARDING DRAINAGE OF SURFACE WATERS AND GRANT OF DRAINAGE EASEMENTS (SPANISH WALK)" RECORDED MAY 10, 2006 AS INSTRUMENT NO. 2006-0340313 OF OFFICIAL RECORDS.

APN(S): 694-520-019 as to a Portion of said land
694-520-020 as to a Portion of said land