



**Regional Housing Authority of Sutter and Nevada Counties**

1455 Butte House Road, Yuba City, CA 95993  
Phone: (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929 Fax: (530) 673-0775  
Website: [www.rhasnc.org](http://www.rhasnc.org)

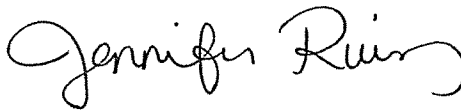
December 10, 2014

TO: Chairperson Diane Hodges  
Commissioner Martha Griese  
Commissioner Brian Foss  
Commissioner Charles Epp  
Commissioner Terry Lamphier  
Commissioner Suzanne Gallaty

Sutter County Board of Supervisors  
Nevada County Board of Supervisors  
Colusa County Board of Supervisors  
City Council, Live Oak  
City Council, Yuba City  
Appeal-Democrat  
Duane Oliveira, Legal Counsel  
SCEA  
Terrel Locke, City of Yuba City  
Aaron Busch, City of Yuba City  
The Union  
Melody Lane  
Yuba City Senior Center  
Rob Choate, County of Nevada

**NOTICE OF REGULAR MEETING  
December 17, 2014**

You are hereby notified that the Commissioners of the Regional Housing Authority of Sutter and Nevada Counties are called to meet in Regular Session at 12:15 PM on Wednesday, December 17, 2014 at River City Manor, 655 Joann Way, Yuba City, CA 95993.

for   
Linda J. Nichols  
Executive Director

AGENDA  
REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF  
REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES  
River City Manor, 655 Joann Way, Yuba City, CA 95993  
December 17, 2014, 12:15 PM

- A. CALL TO ORDER: ROLL CALL
- B. PUBLIC PARTICIPATION: Members of the public shall be provided with an opportunity to address the Board on items of interest that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring something before the Board that is not on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda.
- C. AWARDS AND PRESENTATIONS: NONE
- D. EXECUTIVE SESSION: May be held under California Government Code regarding pending and/or anticipated litigation, property acquisition, and/or personnel issues.
1. CLOSED SESSION: Pursuant to Section 54956.8 of the California Government Code  
Conference with Real Property Negotiators  
Property: 1170 Market Street, Yuba City, CA 95991  
Agency Negotiator: Linda Nichols, Gustavo Becerra and Bill Meagher  
Under negotiation: Possible Acquisition of Property (includes instructions to negotiator regarding price and terms of payment)
  2. CLOSED SESSION: Case Review/Planning
- E. CONSENT CALENDAR: All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that the Board votes on the motion, unless members of the Board request specific items to be discussed or removed from the Consent Calendar for individual action.
3. Approval of Minutes – November 5, 2014 pg. 1
- F. OLD BUSINESS: Discussion/Possible Action: None
- G. NEW BUSINESS: Discussion/Possible Action:
4. Resolution 14-1358 – Approval for Executive Director or Designee pg. 5 to Sign Documents for NSP Properties

5.	Resolution 14-1359 – Approval of Administrative Plan for the Housing Choice Voucher Program	pg. 6
6.	Resolution 14-1360 - Approval of the Admissions and Continued Occupancy Policy (ACOP) for the Low Income Public Housing Program	pg. 7
7.	Resolution 14-1361 - Approval of PHA 5-Year and Annual Plans	pg. 8
8.	Resolution 14-1362 – Approval of Civil Rights Certifications	pg. 10
9.	Resolution 14-1363 – Labor Housing Grant to a Housing Authority	pg. 11
10.	Resolution 14-1364, Appreciation for Tej Maan	pg. 17
11.	Approval of Kingwood Commons Refinance	pg. 18
12.	Resolution 14-1365 – H2F Collection Loss Write Off	pg. 35
13.	Resolution 14-1366 – Devonshire Collection Loss Write Off	pg. 37
14.	Resolution 14-1367 – Public Housing Collection Loss Write Off	pg. 39
15.	Resolution 14-1368 – Rural Development Collection Loss Write Off	pg. 41
16.	Resolution 14-1369 – Percy Avenue Collection Loss Write Off	pg. 43
17.	Resolution 14-1370 – Housing Choice Voucher Collection Loss Write Off	pg. 45
18.	Resolution 14-1371 – Kingwood Commons Collection Loss Write Off	pg. 47
19.	Resolution 14-1372 – Housing Choice Voucher Landlord Overpayment Collection Loss Write Off	pg. 49
20.	Resolution 14-1373 – Authorization to Sign CSBG Contract	pg. 51

H. ADMINISTRATIVE REPORT:

21.	Occupancy/Eligibility Update	pg. 52
22.	Maintenance Update	pg. 55

23. Finance Update

pg. 57

24. Administrative Update

I. HOUSING COMMISSIONERS' COMMENTS:

J. NEXT MEETING:

K. ADJOURNMENT:

Ag121714

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES  
Minutes  
Regular Board Meeting  
November 5, 2014

ITEM NO. A - CALL TO ORDER:

Chairperson Diane Hodges called the meeting to order at River City Manor, 655 Joann Way, Yuba City, CA 95993.

ITEM NO. A - ROLL CALL:

Chairperson Diane Hodges, Commissioners Martha Griese, Tej Maan, Charles Epp, Suzanne Gallaty, Brian Foss and Terry Lamphier were present. Commissioner Stanley Cleveland Jr. arrived later in the meeting. Legal Council Duane Oliveira was also present.

ITEM NO. B. – PUBLIC PARTICIPATION: None

ITEM NO. C.1. – SUTTER COUNTY PUBLIC HEALTH DEPARTMENT PRESENTATION ON “THE NEGATIVE HEALTH EFFECTS OF SECONDHAND SMOKE”:

Carrie Ozeran and Anne Westlake presented on the effects of secondhand smoke. They stated the Health Department would like to team with the Housing Authority to provide healthier housing. Ms. Ozeran mentioned there are many areas going towards a Smoke Free environment including all of the parks in both the Yuba City and Live Oak. She mentioned HUD supports smoke free polices and it is the Housing Authority’s intent to move that way according to their Strategic Plan.

ITEM NO. D.2. – CLOSED SESSION: PURSUANT TO SECTION 54956.8 OF THE CALIFORNIA GOVERNMENT CODE, CONFERENCE WITH REAL PROPERTY NEGOTIATORS, PROPERTY: 1170 MARKET STREET, YUBA CITY, CA 95991, AGENCY NEGOTIATORS: LINDA NICHOLS, GUSTAVO BECERRA AND BILL MEAGHER, UNDER NEGOTIATION: POSSIBLE ACQUISITION OF PROPERTY (INCLUDES INSTRUCTIONS TO NEGOTIATOR REGARDING PRICE AND TERMS OF PAYMENT:

Chairperson Hodges reported there was no reportable action.

ITEM NO. E.3. - CONSENT CALENDAR:

Commissioner Lamphier made a motion to approve the Minutes of the October 1, 2014 meeting as submitted. Commissioner Griese made the second. All were in favor by voice vote. Commissioners Gallaty and Foss abstained from the vote.

ITEM NO. F. – OLD BUSINESS: None

ITEM NO. G.4. – RESOLUTION 14-1351, APPROVAL OF THE 2015-2016 PAYMENT STANDARDS:

Jeni Bobadilla, Housing Services Manager, explained every year HUD comes out with fair market rents. These new fair market rents will be effective December 1, 2014. She stated they went up for both Sutter and Nevada Counties and depending on the bedroom size went both up and down in Colusa County.

Commissioner Epp made a motion to approve Resolution 14-1351, Approval of the 2015-2016 Payment Standards. Commissioner Lamphier made the second. The following roll call vote was taken:

Vote: Ayes: Chairperson Diane Hodges, Commissioners Terry Lamphier, Stanley Cleveland Jr., Tej Maan, Brian Foss, Susanne Gallaty, Martha Griese and Charles Epp

Nays: None

Abstain: None

Absent: None

ITEM NO. G.5. – RESOLUTION 14-1352, GENERAL MANAGER/MANAGING MEMBER RESOLUTION FOR MAPLE PARK PHASE 2:

Chairperson Hodges recused herself from this item.

Planning and Community Services Manager Gustavo Becerra stated this is a standard resolution requested by the investor RBC to create the General Partners/Managing Members for Maple Park Phase 2.

Commissioner Cleveland made a motion to approve Resolution 14-1352, Approval of the General Manager/Managing Member Resolution for Maple Park Phase 2. The following roll call vote was taken:

Vote: Ayes: Commissioners Terry Lamphier, Stanley Cleveland Jr., Tej Maan, Brian Foss, Susanne Gallaty, Martha Griese and Charles Epp

Nays: None

Abstain: None

Absent: None

ITEM NO. G.6. – RESOLUTION 14-1353, APPROVAL OF THE ANNUAL UTILITY STUDY FOR PUBLIC HOUSING UTILITY ALLOWANCE:

Mrs. Bobadilla stated each year a utility study is conducted for the Public Housing utility allowances. She mentioned the utility allowances have gone down due to the energy credit issued by Pacific Gas and Electric Company.

Commissioner Griese made a motion to approve Resolution 14-1353, Approval of the Annual Utility Study for Public Housing Utility Allowance. The following roll call vote was taken:

Vote: Ayes: Chairperson Diane Hodges, Commissioners Terry Lamphier, Stanley Cleveland Jr., Tej Maan, Brian Foss, Susanne Gallaty, Martha Griese and Charles Epp

Nays: None

Abstain: None

Absent: None

ITEM NO. G.7. – RESOLUTION 14-1354, APPROVAL OF THE FLAT RENTS FOR LOW INCOME PUBLIC HOUSING:

Mrs. Bobadilla said that each year when the new fair market rents are released, the flat rate rents must be adjusted

as well. She stated the flat rate rents are a set amount that went up this year. Mrs. Bobadilla explained a family has the option to either choose a flat rate rent or an income based rent.

Commissioner Gallaty made a motion to approve Resolution 14-1354, Approval of the Flat Rents for Low Income Public Housing. The following roll call vote was taken:

Vote: Ayes: Chairperson Diane Hodges, Commissioners Terry Lamphier, Stanley Cleveland Jr., Tej Maan, Brian Foss, Susanne Gallaty, Martha Griese and Charles Epp

Nays: None

Abstain: None

Absent: None

ITEM NO. G.8. – RESOLUTION 14-1355, AUTHORIZATION TO SUBMIT A REQUEST TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO AMEND THE DISPOSITION APPROVAL FOR MAPLE PARK LOCATED IN LIVE OAK:

Chairperson Hodges recused herself from this item.

Mr. Becerra stated HUD approved the Demolition/Disposition Resolution for Maple Park in 2011 for both Phase 1 and Phase 2. At the time the Demolition/Disposition was approved, Maple Park Phase 2 was intended to be a 20-unit senior housing complex owned by Sutter Community Affordable Housing. He explained plan have changed. The new plans are to have Phase 2 be a 35-unit senior housing complex with a general partnership between Community Housing Improvement Program (CHIP) and Building Better Partnerships, Inc. (BBP). Mr. Becerra said this Resolution will be to request HUD make the requested changes to the disposition.

Commissioner Cleveland made a motion to approve Resolution 14-1359, Authorization to submit a request to the Department of Housing and Urban Development (HUD) to amend the Disposition Approval for Maple Park located in Live Oak. The following roll call vote was taken:

Vote: Ayes: Commissioners Terry Lamphier, Stanley Cleveland Jr., Tej Maan, Brian Foss, Susanne Gallaty, Martha Griese and Charles Epp

Nays: None

Abstain: None

Absent: None

ITEM NO. G.9. – APPROVAL OF PROCLAMATION TO THE GILL FAMILY:

Executive Director Linda Nichols stated the Gill family gifted land located in Live Oak to the Housing Authority. She stated the land is to be used to build senior housing and name the community room in honor of the mother, Parkash Kaur Gill. Commissioner Cleveland and Commissioner Epp represented the Housing Authority at the ceremony recognizing the family for their gift.

Commissioner Lamphier made a motion to Approve the Proclamation to the Gill Family. Commissioner Maan made the second. All were in favor by voice vote.

ITEM NO. G.10. – ACCEPTANCE OF AUDIT FOR FYE 2014:

Chief Financial Officer Gail Allen explained the audit provided in the packet. She mentioned the issue with some of the comments was strictly a timing issue.

Commissioner Cleveland made a motion to Accept the Audit for FYE 2014 into record. Commissioner Gallaty made the second. All were in favor by voice vote.

ITEM NO. H.11. – ADMINISTRATIVE UPDATE:

Ms. Nichols stated the Housing Authority was award 10 VASH vouchers to be used or Veteran's in the Auburn and Roseville areas. She is hoping this will open the door to get VASH vouchers for other jurisdictions. Ms. Nichols mentioned the transfer of the Yuba County Housing Choice Vouchers is in process, which will add 449 vouchers to our Housing Authority.

Ms. Nichols explained she will begin working on updating the strategic plan for 2016-2020. She said that smoke-free housing is a very sensitive issue that staff would like to move toward.

Mrs. Bobadilla stated the Housing Authority was awarded the Family Self-Sufficiency grant. She also mentioned the CSBG grant the Housing Authority applied for was awarded in the amount of \$10,000. These funds will assist Sutter County residents in many ways such as purchasing bus passes and paying for books for college.

Tom Goodwin, Interim Chief of Maintenance, stated the trees that needed trimmed have been completed. He said staff is concerned with the trees by Town Center Senior Manor and have expressed those concerns to the City of Yuba City.

ITEM NO. I. HOUSING COMMISSIONERS' COMMENTS:

Commissioner Maan stated this would be his last meeting.

Commissioner Cleveland said he was successful at running for City Council for the City of Yuba City and does not know if he will be elected to the Housing Authority Board. If he is not elected, this will also be his last meeting.

Commissioner Epp said Commissioner Cleveland did an excellent job representing the Housing Authority at the Gill presentation.

Commissioner Lamphier expressed Commissioner Cleveland is a hard worker for his community and is an inspiration for others. He stated he may be elected to the Grass Valley City Council.

ITEM NO. J – NEXT MEETING: To be scheduled.

ITEM NO. K - ADJOURNMENT: The meeting was adjourned.





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**RESOLUTION 14-1358**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS/HER DESIGNEE TO EXECUTE DOCUMENTS PERTAINING TO THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP)**

**WHEREAS**, Regional Housing Authority of Sutter and Nevada Counties (RHASNC) has partnered with the City of Yuba City to purchase, rehabilitate and rent properties purchased under the Neighborhood Stabilization Program (NSP) to low-income households; and

**WHEREAS**, from time to time there may be documents that need to be executed in order to remain in compliance with the requirements of the NSP program.

**BE IT RESOLVED**, by Regional Housing Authority of Sutter and Nevada Counties that the Executive Director, or his/her designee, is authorized to execute any and all necessary documents and certifications as may be required for the NSP program and any properties purchased thereunder.

The undersigned Chairperson of the Board of Commissioners of Regional Housing Authority of Sutter and Nevada Counties therefore named does hereby attest and certify that the foregoing is a true and full copy of a resolution of the Governing Board adopted at a duly convened meeting on the date below-mentioned, which has not been altered, amended or repealed.

This Resolution was approved at the regular meeting of the Board of Commissioners, this 17<sup>th</sup> day of December, 2014.

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Diane Hodges, Chairperson

(SEAL)

*The Housing Authority is an equal opportunity employer and housing provider.*

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**RESOLUTION 14-1359**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES FOR APPROVAL OF THE ADMINISTRATIVE PLAN FOR THE HOUSING CHOICE VOUCHER PROGRAM**

**WHEREAS**, the Regional Housing Authority of Sutter & Nevada Counties (RHASNC) manages the Housing Choice Voucher Program; and

**WHEREAS**, the United States Department of Housing and Urban Development requires RHASNC to have a Board approved Administrative Plan for the Housing Choice Voucher Program and to revise it when necessary to comply with changes in regulations or policy; and

**WHEREAS**, the Board of Commissioners of RHASNC has reviewed the information submitted;

**NOW THEREFORE BE IT RESOLVED** by the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties to approve the revised Administrative Plan for the Housing Choice Voucher Program.

This Resolution was approved at the Regular Meeting of the Board of Commissioners on December 17, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

(SEAL)

ATTEST: \_\_\_\_\_  
Diane Hodges, Chairperson

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**RESOLUTION 14-1360**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES FOR APPROVAL OF THE ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP) FOR THE LOW INCOME PUBLIC HOUSING PROGRAM**

**WHEREAS**, the Regional Housing Authority of Sutter & Nevada Counties (RHASNC) manages the Low Income Public Housing Program; and

**WHEREAS**, the United States Department of Housing and Urban Development requires RHASNC to have a Board approved Admissions and Continued Occupancy Plan (ACOP) for Public Housing and to revise it when necessary to comply with changes in regulations or policy; and

**WHEREAS**, the Board of Commissioners of RHASNC has reviewed the information submitted;

**NOW THEREFORE BE IT RESOLVED** by the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties to approve the revised Admissions and Continued Occupancy Policy (ACOP).

This Resolution was approved at the Regular Meeting of the Board of Commissioners on December 17, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Diane Hodges, Chairperson

(SEAL)

*The Housing Authority is an equal opportunity employer and housing provider.*

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RESOLUTION 14-1361

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:  
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or \_\_\_ Annual PHA Plan for the PHA fiscal year beginning \_\_\_\_\_, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
  - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
  - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
  - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Regional Housing Authority  
of Sutter and Nevada Counties

PHA Name

CA048  
PHA Number/HA Code

5-Year PHA Plan for Fiscal Years 20 15 - 20 19

Annual PHA Plan for Fiscal Years 20 15 - 20 16

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Diane Hodges

Chairperson

Signature

Date

**Civil Rights Certification**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
Expires 4/30/2011

RESOLUTION 14-1362

**Civil Rights Certification**

**Annual Certification and Board Resolution**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Regional Housing Authority of Sutter and Nevada Counties

CA 048

\_\_\_\_\_  
PHA Name

\_\_\_\_\_  
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official <b>Diane Hodges</b>	Title <b>Chairperson, Regional Housing Authority of Sutter and Nevada Counties</b>
Signature	Date

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**RESOLUTION 14-1363**

**(LABOR HOUSING GRANT TO A HOUSING AUTHORITY)**

GRANT RESOLUTION OF December 17, 2014. Resolution # 14-1356  
RESOLUTION OF THE BOARD OF COMMISSIONERS OF Regional Housing Authority of Sutter and Nevada Counties. PROVIDING FOR OBTAINING FINANCIAL ASSISTANCE IN THE AMOUNT OF \$2,000,000.00 TO AID IN FINANCING FEDERALLY DEFINED LOW-RENT HOUSING AND RELATED FACILITIES FOR LOW-INCOME DOMESTIC FARM LABOR, AND RELATED MATTERS.

Whereas the Regional Housing Authority of Sutter and Nevada Counties (herein referred to as the "Housing Authority") is organized and operating under Health and Safety Code 34200 and the Board of Commissioners of the Housing Authority has determined that:

- (a) The Housing Authority should provide low-rent housing and related facilities for low-income domestic farm labor, as defined in title V of the Housing Act of 1949.
- (b) The estimated total cash development cost of the next phase of such housing and facilities amounts to \$2,250,000.00.
- (c) For such purpose the Housing Authority is able to furnish \$250,000.00 of replacement reserves as a match.
- (d) The Housing Authority will need financial assistance in the amount of \$2,000,000.00 which the Housing Authority is unable to obtain from other sources for such purpose upon terms and conditions which the Housing Authority could reasonably be expected to fulfill.
- (e) The balance of \$2,000,000.00 is made available to the Housing Authority as a grant.
- (f) The housing and related facilities will fulfill a pressing need in the area in which they are or will be located.
- (g) The housing and facilities cannot be provided without the aid of a grant in the amount stated above:

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These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 7 CFR parts 3015, "Uniform Federal Assistance Regulations," 3016, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," or 3019, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations."

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*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

THEREFORE BE IT RESOLVED:

1. Application for Loan and Grant. The Housing Authority shall apply to the United States of America, acting through Rural Development, United States Department of Agriculture (herein called "the Government") for a grant of \$2,000,000.00, pursuant to Title V of the Housing Act of 1949.

The grant shall be used only for the specific eligible purposes approved by the Government, in order to provide low-rent housing and related facilities for low-income domestic farm labor. Such housing and facilities and the land constituting the site may be referred to herein as the "housing."

2. Execution of Grant Instruments. To evidence the obligations of the grant, the Housing Authority shall execute an instrument in the form attached hereto entitled "Labor Housing Grant Agreement" and referred to herein as the "Grant Agreement," evidencing terms and conditions upon which the grant is made by the Government and the obligations of the Housing Authority with respect thereto. To secure the note and/or all other obligations and agreements of the Housing Authority with respect to the grant as required by the Government, the Chairman and the Secretary are hereby authorized to execute a security instrument giving a lien upon or security interest in the housing and such other property as the Government shall require, including an assignment of or security interest in the rents and profits as collateral security to be enforceable in the event of any default by the Housing Authority. The President and the Secretary are further authorized to execute any other security and other instruments, agreements, and documents required by the Government for the grant. The indebtedness and other obligations of the Housing Authority under the note, Grant Agreement, this resolution, the security instrument, and any other instruments and agreements related to the grant are herein called the "grant obligations."

3. Equal Employment Opportunity under Construction Contracts and Nondiscrimination in the Use of Occupancy and Housing and in Any Other Benefits of the Grant. The Chairman and the Secretary are hereby authorized and directed to execute on behalf of the Housing Authority (a) any undertakings and agreements required by the Government regarding nondiscrimination in the use and occupancy of housing, (b) Form RD 400- 1, "Equal Opportunity Agreement," involving an Equal Opportunity Clause to be incorporated in or attached as a rider to each construction contract which exceeds \$ 10,000 in amount and is paid for in whole or in part with loan or grant funds, and (c) Form RD 400-4, "Assurance Agreement (Under Title VI, Civil Rights Act of 1964)," a copy of which is attached hereto and made a part hereof.

4. Supervised Bank Account. The proceeds of the grant and the amount of \$250,000.00 matching funds to be contributed by the State of California and used for approved eligible purposes shall be deposited in a "supervised bank account" as required by the Government. Amounts in the supervised bank account exceeding \$100,000 shall be secured by the financial institution in advance in accordance with U. S. Treasury Department regulations, 31 CFR part 202. As provided by the terms of the agreement creating the supervised bank account, all funds therein shall, until duly expended, collaterally secure the grant obligations. Withdrawals from the supervised bank account by the Housing Authority shall be made only on checks signed by the Executive Director of the Housing Authority and countersigned by the USDA Loan Specialist or other authorized official of Rural Development, and only for the specific eligible purposes approved in writing by the Government. The Housing Authority's share of any liquidated damages or other monies paid by defaulting contractors of their sureties shall be deposited in the supervised bank account to assure completion of the project. When all approved items eligible for payment with grant funds are paid in full, any balance remaining in the supervised bank account shall be treated as a refund of grant funds in the same ratio as that between the amounts of the grant, and the supervised bank account shall be closed.

5. Accounts for Housing Operations and Loan Servicing. The Housing Authority shall establish on its books the following accounts, which shall be maintained so long as the grant obligations continue: A General Fund Account, an Operation and Maintenance Account, a Debt Service Account, and a Reserve



Account. Funds in said accounts shall be deposited in a bank or banks insured by the Federal Deposit Insurance Corporation, except for any portion invested in readily marketable obligations of the United States as authorized by section 9. The Treasurer of the Housing Authority shall execute a fidelity bond, with a surety company approved by the Government, in an amount not less than the estimated maximum amount of such funds to be held in said accounts at any one time. The United States of America shall be named as co-obligee, and the amount of the bond shall not be reduced without the prior written consent of the Government. The Housing Authority in its discretion may at any time establish and utilize additional accounts to handle any funds not covered by the provisions of this resolution.

6. General Fund Account. All income and revenue from the housing shall upon receipt be immediately deposited in the General Fund Account. The Housing Authority may also in its discretion at any time deposit therein other funds, not otherwise provided for by this resolution, to be used for any of the purposes authorized in section 7, 8, or 9. Funds in the General Fund Account shall be used only as authorized in said sections and, until so used, shall be held by the Housing Authority in trust for the Government as security for the grant obligations.

7. Operation and Maintenance Account. Not later than the 15th of each month, out of the General Fund Account shall be transferred to the Operation and Maintenance Account, sufficient amounts to enable the Housing Authority to pay from the Operation and Maintenance Account the actual, reasonable, and necessary current expenses, for the current month and the ensuing month, of operating and maintaining the housing not otherwise provided for. Current expenses may include, in addition to expenses occurring or becoming due monthly, monthly accumulations of proportionate amounts for the payment of items which may become due either annually or at irregular intervals, such as taxes and insurance and normal repair and replacement of furnishings and equipment reasonably necessary for operation of the housing. Current expenses may also include initial purchase and installation of such furnishings and equipment with any funds deposited in and transferred from the General Fund Account which are not proceeds of the loan and, unless the Government gives prior written consent, are not income or revenue from the housing.

8. Debt Service Account. Each month, immediately after the transfer to the Operation and Maintenance Account provided for in section 7, or after it is determined that no such transfer is called for, any balance remaining in the General Fund Account, or so much thereof as may be necessary, shall be transferred to the Debt Service Account until the amount in the Debt Service Account equals the amount of the next installment due on the loan. Funds in the Debt Service Account shall be used only for payments on the loan obligations while they continue and, until so used, shall be held by the Housing Authority in trust for the Government as security for the grant obligations.

9. Reserve Account. (a) Immediately after each transfer to the Debt Service Account as provided in section 8, any balance in the General Fund Account shall be transferred to the Reserve Account. Funds in the Reserve Account may be used only as authorized in this resolution and until so used shall be held by the Housing Authority in trust as security for the loan and grant obligations. Transfers at a rate not less than \$250,000 annually for all loans and grants shall be made to the Reserve Account until the amount in the Reserve Account reaches the sum determined by USDA-Rural Development regulations and shall be resumed at any time when necessary, because of disbursements from the Reserve Account, to restore it to said sum. Of such sum, at least 50 percent shall be maintained on a cash basis, referred to herein as the "cash reserve". After the cash reserve reaches the required 50 percent of said sum, all or any portion of the balance of said sum may, at the option of the Housing Authority, consist of an amount, referred to herein as the "prepayment reserve," by which the Housing Authority is "ahead of schedule" as defined in the regulations of Rural Development. Funds in the cash reserve shall be deposited in a separate bank account or accounts insured by the Federal Deposit Insurance Corporation or invested in readily marketable obligations of the United States, the earnings on which shall accrue to the Reserve Account.

(b) With the prior consent of the Government, funds in the Reserve Account may be used by the Housing Authority

(1) To meet payments due on loan obligations in the event the amount in the Debt Service Account is not sufficient for the purpose.

(2) To pay costs of repairs or replacements to the housing caused by catastrophe or long-range Depreciation which are not current expenses under section 7.

(3) To make improvements or extensions to the housing.

(4) For other purposes desired by the Housing Authority which in the judgment of the Government likely will promote loan or grant purposes without jeopardizing collectability of the loan or impairing the adequacy of the security, or will strengthen the security, or will facilitate, improve, or maintain the orderly collectability of the loan.

(c) Any amount in the Reserve Account which exceeds the sum specified in section 9 (a), and is not agreed between the Housing Authority and the Government to be used for purposes authorized in section 9 (b) shall be applied promptly on the grant obligations.

10. Regulatory Covenants. So long as the grant obligations continue, the Housing Authority shall

(a) Impose and collect such fees, assessments, rents, and charges that the income of the Housing Authority will be sufficient at all times for operation and maintenance of the housing payments on the grant obligations, and maintenance of the accounts herein provided for.

(b) Maintain complete books and records relating to the Housing Authority's financial affairs, cause such books and records to be audited at the end of each fiscal year, promptly furnish the Government without request a copy of each audit report, and permit the Government to inspect such books and records at all reasonable times.

(c) If required or permitted by the Government, revise the accounts herein provided for, or establish new accounts, to cover handling and disposition of income from and payment of expenses attributable to the housing or to any other property securing the grant obligations, and submit to the Government regular and special reports concerning the housing or the Housing Authority's financial affairs, including any information required by the Government regarding income of the occupants of the housing.

(d) Not charge rents to domestic farm labor that exceed the rents approved by the Agency after considering the income of the occupants, Agency and non-Agency rental assistance available and the necessary costs of operation, debt service, and adequate maintenance of the housing.

(e) Maintain the housing at all times in a safe and sanitary condition in accordance with standards prescribed by state and local law, and Agency requirements.

(f) When making occupancy decisions, ensure that domestic farm labor applicants will always receive priority.

(g) Unless the Government gives prior consent:

(1) Not use or permit use of the housing for any purpose other than as low-rent housing and related facilities for low-income domestic farm labor, as those terms are defined by the Government.

(2) Not enter into any contract or agreement for improvements or extensions to the housing or other property securing the grant obligations.

(3) Not cause or permit voluntary dissolution of the Housing Authority, nor merge or consolidate with any other organization, nor transfer or encumber title to the housing or any part thereof or interest therein, by sale, mortgage, lease, or other conveyance or encumbrance, nor engage in any other new business, enterprise, or venture than operation of the housing.

(4) Not borrow any money, nor incur any liability aside from current expenses as defined in Section 7.

(h) Submit the following to the Government for prior review not less than 120 days before the effective dates:

(1) Annual budgets and operating plans.

(2) Statements of management policy and practice including eligibility criteria and implementing rules for occupancy of the housing.

(3) Proposed rents and charges and other terms of rental agreements for occupancy of the housing.

(4) Rates of compensation to officers and employees of the Housing Authority payable from or chargeable to any account provided for in this resolution.

(i) If required by the Government, modify and adjust any matters covered by section 10 (e).

(j) Comply with all its agreements and obligations in or under this resolution, the note, Grant Agreement, security instrument, and any related agreement executed by the Housing Authority in connection with the grant.

(k) Not alter, amend, or repeal without the Government's consent this resolution or the bylaws or articles of incorporation of the Housing Authority, which shall constitute parts of the total contract between the Housing Authority and the Government relating to the grant obligations.

(l) Do other things as may be required by the Government in connection with the operation of the housing, or with any of the Housing Authority's operations or affairs which may affect the housing, the grant obligations, or the security.

#### 11. General Provisions.

(a) It is understood and agreed by the Housing Authority that any loan or grant will be administered subject to the limitations of the authorizing act of Congress and related regulations, and that any rights granted to the Government herein or elsewhere may be exercised by it in its sole discretion to carry out the purposes of the loan or grant, enforce such limitations, and protect the Government's financial interest in the loan or grant and the security.

(b) The provisions of this resolution are representations of the Housing Authority to induce the Government to make or insure a grant to the Housing Authority as aforesaid. If the Housing Authority

should fail to comply with or perform any of its grant obligations, such failure shall constitute default as fully as default in payment of amounts due on loan obligations. In the event of default, the Government at its option may declare the entire amount of the grant obligations immediately due and payable and, if such entire amount is not paid forthwith, may take possession of and operate the housing and proceed to foreclose its security and enforce all other available remedies.

(c) Upon request by the Government the Housing Authority will permit representatives of the Government to inspect and make copies of any of the records of the Housing Authority pertaining to the financial assistance. Such inspection and copying may be made during regular office hours of the Housing Authority, or any other time the Housing Authority and the Government finds convenient.

(d) Any provisions of this resolution may be waived by the Government in its sole discretion, or changed by agreement between the Government and the Housing Authority, after this resolution becomes contractually binding, to any extent such provisions could legally have been foregone, or agreed to in amended form, by the Government initially.

(e) Any notice, consent, approval, waiver, or agreement must be in writing.

(f) This resolution may be cited in the security instrument and elsewhere as the "Grant Resolution of "December 17, 2014".

#### CERTIFICATE

The undersigned, Linda J. Nichols, the Secretary of the Housing Authority identified in the foregoing resolution, hereby certifies that the foregoing is a true copy of a resolution duly adopted by the Board of Commissioners on December 17, 2014, which has not been altered, amended, or repealed.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Secretary)

(SEAL)



**Regional Housing Authority of Sutter and Nevada Counties**

1455 Butte House Road, Yuba City, CA 95993  
Phone: (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929, Fax: (530) 673-0775

RESOLUTION 14-1364

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES EXPRESSING RECOGNITION AND APPRECIATION FOR THE DILIGENT SERVICE OF  
TEJ MAAN

WHEREAS, Tej Maan, was first appointed to the office of Commissioner in the month of December 2010, and has served faithfully thereafter through November 2014; and

WHEREAS, he brought with him knowledge of community affairs which contributed substantially to the resolution of housing problems in Sutter, Nevada, Yuba and Colusa Counties; and

WHEREAS, he has been diligent and faithful to the public trust reposed on him, to the discharge of his responsibilities and in the fulfillment of his duties with the Housing Authority; Now

THEREFORE BE IT RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties hereby honor Tej Maan upon his departure from the office of Commissioner and that his dedicated actions during the term he served as Commissioner be recognized and commended.

This Resolution was moved and approved at the Regular Meeting of the Board of Commissioners on December 17, 2014 as the Board conveys their best wishes in all her future endeavors.

\_\_\_\_\_  
Chairperson Diane Hodges

\_\_\_\_\_  
Vice-Chairperson Brian Foss

\_\_\_\_\_  
Commissioner Martha Griese

\_\_\_\_\_  
Commissioner Charles Epp

\_\_\_\_\_  
Commissioner Suzanne Gallaty

\_\_\_\_\_  
Commissioner Terry Lamphier

*The Housing Authority is an equal opportunity employer and housing provider.*

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REGIONAL HOUSING AUTHORITY  
OF SUTTER AND NEVADA COUNTIES

STAFF REPORT

Date: December 17, 2014  
To: Board of Commissioners  
From: Gustavo Becerra, Planning & Community Development Manager

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**SUBJECT:** Refinance of Kingwood Commons

**RECOMMENDATION:** Authorize the Executive Director or her designee to execute a Promissory Note, Deed of Trust and any documents necessary to carry out the terms and provisions of the refinance of Kingwood Commons.

**FISCAL IMPACT:** Promissory note in the amount of \$2,487,500, savings of approximately \$11,000 per month in reduced debt service payments.

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**Background and Discussion**

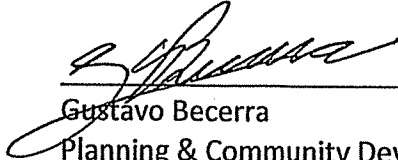
In 2003 the Housing Authority purchased Kingwood Commons, a 64-unit affordable housing complex located at 1340 Gray Avenue, Yuba City, CA. The property was purchased utilizing bond proceeds as well as Yuba City redevelopment funds. The bonds had a 10-year prepayment penalty that expired in 2013. Since that time staff has been looking for options to refinance the property in order to reduce debt service and improve the property's cash flow.

River Valley Community Bank has offered to refinance the bond debt (first deed of trust) in the amount of \$2,487,500. Monthly payments would be \$13,470.05, a savings of nearly \$11,000 per month from the Housing Authority's current bond payment amount. Existing junior liens held by the City of Yuba City would subordinate the new first deed of trust with River Valley Community Bank.

**Recommendation**

Staff recommends that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties approve the refinance of Kingwood Commons and authorize the Executive Director or her designee to execute the Note and Deed of Trust, and any other documents necessary to carry out the terms of the refinance.

Prepared by:

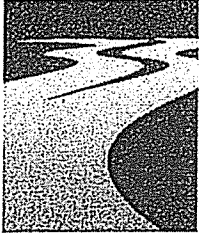
  
\_\_\_\_\_  
Gustavo Becerra  
Planning & Community Development Manager

Submitted by:

\_\_\_\_\_  
Linda J. Nichols  
Executive Director

Attachment(s):

- River Valley Community Bank Term Sheet
- Promissory Note
- Deed of Trust



# RIVER VALLEY COMMUNITY BANK

November 19, 2014

Regional Housing Authority of Sutter & Nevada Counties  
1455 Butte House Rd  
Yuba City, Ca. 95993

ATTN: Linda Nichols

## TERM SHEET – Option 2

Dear Linda:

River Valley Community Bank ("RVCB") is pleased to extend this proposal, and for discussion purposes only. It is a general, non-binding expression of interest on the part of River Valley Community Bank. Rates and Terms can change without notice.

This Proposal is subject to fulfillment of additional conditions including, but not limited to, our normal credit approval process, a further in-depth evaluation of the credit and financial status of borrower(s) and guarantors, and an acceptable review of proposed collateral, the results of which are deemed satisfactory by River Valley Community Bank, at its sole discretion.

### Commercial Real Estate Loan Proposal

Borrower:	Regional Housing Authority of Sutter & Nevada Counties
Guarantors:	None
Loan Amount:	\$2,461,000 +\$26,500 in fees (approx.) and not to exceed 80% appraised value Final loan amount is net of \$374,000 cash pay down on existing note balance of \$2,835,000.
Loan Purpose:	Refinance existing first deed on property and improvements at 1340 Gray Ave, Yuba City, Ca. known as Kingwood Commons. All other debt on Property to subordinate to RVCB new 1 <sup>st</sup> Deed of trust
Interest rate:	5yr CMT + 3.00% (5.00% floor rate) fixed for 5-years. At the end of the 5 <sup>th</sup> year The interest rate can adjust to the then current 5yr CMT + 3.00% and remain Fixed until loan maturity.
Payments	Principal & interest monthly (balloon payment due at maturity).
Terms	10-yr term / 30-yr amortization - \$13,353 /month (approx.)
Loan Fee:	\$18,650 origination fee (0.75%) + \$500 documentation fee Appraisal fee – paid cash Appraisal review fee - \$600 - \$700

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	Environmental TSA screen fee (TBD). Title & escrow fees at cost
Prepayment Provision:	3.0%, 2.0%, and 1.0% prepayment penalty, excluding up to 20% added principal reduction each calendar year. Prepayment provision is waived for Borrower cash payoff of note only.
Collateral:	A perfected first trust deed, assignment of rents and specific assignment of lease, if applicable on property and improvements located at 1340 Gray Ave, Yuba City, Ca. and Property at 517/519 Teesdale Rd, Yuba City, Ca.
Appraisal:	RVCB shall require that collateral be appraised prior to funding on this facility. The Appraiser shall be selected by RVCB. Borrower shall pay the cost of the appraisal. Appraisal will be reviewed by independent 3 <sup>rd</sup> party appraiser. Borrower will pay cost of this review.
Loan to Value:	Based on the above referenced appraisal, RVCB loan to value shall not exceed 80%, LTV, based on subject collateral only.
Environmental Reports:	Borrower shall provide an acceptable Environmental Site Assessment for the Collateral, acceptable to RVCB. Borrower shall provide any additional environmental reports, questionnaires, certificates or audits as RVCB may request.
Title Insurance:	Borrower provides extended mortgagee's title policy issued by a title insurance company satisfactory to RVCB insuring RVCB's lien position with respect to the Collateral, with no other liens or encumbrances except those accepted in writing by RVCB.
Documentation:	Borrower, Guarantors and the other persons or entities granting a security interest in Collateral for this loan must execute the various loan documents provided by RVCB in a form and with content satisfactory to RVCB by the Closing Deadline. Borrower understands that the loan documents may contain additional covenants and conditions that are not referenced in this commitment letter.
Condition Subsequent:	

1. At any time requested by RVCB, Borrower shall furnish any additional information regarding Borrower's financial condition and business operations. This information may include, but is not limited to, financial statements, tax returns, lists of assets and liabilities, aging of receivables and payables, inventory schedules, budgets and forecasts.
2. Borrower shall submit an annual CPA audited financial statement within 6 months of each fiscal year end
3. Borrower shall submit an annual property rent roll not later than 30-days after fiscal year end.
4. Borrowers will establish primary business deposit relationship with RVCB.
5. Borrower shall maintain 4-years worth annual debt service coverage ( $\$13,354 \times 12 \times 4 = \$641,000$ ) in cash measured annually and preferably at RVCB.

**Financial Covenants:**

**Debt Service Coverage Ratio (DSCR):**

Borrower shall maintain a "global" Debt Service Coverage Ratio based on EBITDA of not less than 1.25 to 1.00 as of the end of each year

**Definition of Calculations for DSCR:**

For the purposes of this agreement, "Debt Service Coverage" (DSCR) means the ratio of "cash flow" to "debt service" during each twelve month period ending with the effective date of calculation. "Cash flow" means the sum of Net Profits, Depreciation, Depletion, Amortization and Interest Expense minus Distributions, Withdrawals and Dividends. "Debt service" means the regularly scheduled payments of principal upon all long-term debt during that period plus Interest Expense of the Borrower and Guarantors.

**Other Requirements:**

All other requirements as determined at the sole discretion of RVCB

RVCB's approval is subject to the fulfillment of a number of usual and customary conditions including, but not limited to the execution and delivery of loan documents in a form satisfactory to RVCB and the absence of a material adverse change in the business, financial condition or prospect of Borrower or any Guarantor. The undersigned certifies that any financial information presented to RVCB in connection with this proposed obligation is and will be correct and complete. RVCB is authorized to investigate the credit and employment status of Borrower and the Guarantors, either directly or through any agent.

**BORROWER ACKNOWLEDGES THAT ORAL AGREEMENT OR ORAL COMMITMENT TO LOAN MONEY OR EXTEND CREDIT IN AN AMOUNT GREATER THAN \$100,000 ARE NOT ENFORCEABLE UNDER CALIFORNIA LAW. BORROWER ACKNOWLEDGES THAT THIS TRANSACTION IS NOT PRIMARILY FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

River Valley Community Bank appreciates the opportunity to extend this proposal and looks forward to your favorable reply. If the above terms and conditions are acceptable to you, please sign Acknowledgement - Attachment "A" and return it with a copy of this letter to the undersigned.

Sincerely,

Greg Heckman  
Senior Vice President  
1629 Colusa Ave  
Yuba City, Ca. 95993

**ACKNOWLEDGMENT:**

Borrower hereby acknowledges and accepts this proposal subject to requirements, Terms and Conditions as outlined in the attached Discussion Term Sheet dated November 19, 2014

**Borrower**

By: \_\_\_\_\_

For Linda Nichols  
Executive Director.

Dated: \_\_\_\_\_

11-24-14



**PROMISSORY NOTE**

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$2,487,500.00	12-17-2014	12-20-2024	400117700	0009	www	GH	GH
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Regional Housing Authority of Sutter and Nevada Counties  
1455 Butte House Road  
Yuba City, CA 95993

**Lender:** River Valley Community Bank  
P. O. Box 3689  
Yuba City, CA 95992

**Principal Amount: \$2,487,500.00**

**Date of Note: December 17, 2014**

**PROMISE TO PAY.** Regional Housing Authority of Sutter and Nevada Counties ("Borrower") promises to pay to River Valley Community Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Two Million Four Hundred Eighty-seven Thousand Five Hundred & 00/100 Dollars (\$2,487,500.00), together with interest on the unpaid principal balance from December 17, 2014, until paid in full.

**PAYMENT.** Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 119 regular payments of \$13,470.05 each and one irregular last payment estimated at \$2,042,266.63. Borrower's first payment is due January 20, 2015, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on December 20, 2024, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any late charges; and then to any unpaid collection costs. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**AMORTIZATION PERIOD:** This Promissory Note has been amortized for a 30 year or 360 month period.

**VARIABLE INTEREST RATE.** The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the WEEKLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES, ADJUSTED TO A CONSTANT MATURITY OF FIVE (5) YEARS, AS PUBLISHED IN THE FEDERAL RESERVE STATISTICAL RELEASE (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each FIVE (5) YEARS. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 1.640% per annum. Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 3.000 percentage points over the Index, rounded to the nearest 0.010 percent, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 5.000%. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 5.000% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT FEE.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Upon prepayment of this Note, Lender is entitled to the following prepayment fee:

**BORROWER SHALL HAVE THE RIGHT TO MAKE ADDITIONAL PAYMENTS ON THE PRINCIPAL AND ACCRUED INTEREST OF THIS INDEBTEDNESS AT ANY TIME PRIOR TO MATURITY; PROVIDED HOWEVER, THAT IF THESE ADDITIONAL PAYMENTS DURING ANY TWELVE (12) MONTH PERIOD SHOULD AGGREGATE MORE THAN TWENTY (20) PERCENT OF THE UNPAID PRINCIPAL BALANCE, THIS AMOUNT WILL BE CONSIDERED THE PREPAYMENT AMOUNT SUBJECT TO PREPAYMENT PENALTY. DURING THE FIRST YEAR AFTER THE DATE OF THE DISBURSEMENT, THE BORROWER MUST PAY TO THE HOLDER OF THIS NOTE A SUM EQUAL TO FIVE (5) PERCENT OF THE PREPAYMENT AMOUNT SUBJECT TO PENALTY. DURING THE SECOND YEAR AFTER INITIAL DISBURSEMENT THE PENALTY IS FOUR (4) PERCENT OF THE PREPAYMENT AMOUNT; DURING THE THIRD YEAR AFTER INITIAL DISBURSEMENT THE PENALTY IS THREE (3) PERCENT OF THE PREPAYMENT AMOUNT; THE PERCENTAGE DECLINES TO TWO (2) PERCENT DURING THE FOURTH YEAR AND TO ONE (1) PERCENT THE FIFTH YEAR AFTER THE INITIAL DISBURSEMENT OF THE PREPAYMENT AMOUNT. NO ADDITIONAL PENALTY WILL BE ASSESSED AFTER THE END OF THE FIFTH (5) YEAR**

**INITIAL** Except for the foregoing, Borrower may pay all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: River Valley Community Bank, Attn: Loan Servicing, P. O. Box 3689 Yuba City, CA 95992.

**LATE CHARGE.** If a payment is 11 days or more late, Borrower will be charged 6.000% of the regularly scheduled payment or \$5.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by adding an additional 2.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

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**PROMISSORY NOTE  
(Continued)**

Loan No: 400117700

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**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change in Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Borrower also will pay any court costs, in addition to all other sums provided by law.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Sutter County, State of California.

**DISHONORED ITEM FEE.** Borrower will pay a fee to Lender of \$32.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

**COLLATERAL.** Borrower acknowledges this Note is secured by the following collateral described in the security instruments listed herein:

(A) a Deed of Trust dated December 17, 2014, to a trustee in favor of Lender on real property located in Sutter County, State of California. That agreement contains the following due on sale provision: Lender may, at Lender's option, declare immediately due and payable all sums secured by the Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

(B) an Assignment of All Rents to Lender on real property located in Sutter County, State of California.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: River Valley Community Bank P. O. Box 3689 Yuba City, CA 95992.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

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**PROMISSORY NOTE  
(Continued)**

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PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

By:

Linda J. Nichols, Executive Director and Secretary of  
Regional Housing Authority of Sutter and Nevada  
Counties

**RECORDATION REQUESTED BY:**

River Valley Community Bank  
P. O. Box 3689  
Yuba City, CA 95992

**WHEN RECORDED MAIL TO:**

River Valley Community Bank  
P. O. Box 3689  
Yuba City, CA 95992

**SEND TAX NOTICES TO:**

Regional Housing Authority of Sutter and Nevada  
Counties  
1455 Butte House Road  
Yuba City, CA 95993

FOR RECORDER'S USE ONLY

**DEED OF TRUST**

THIS DEED OF TRUST is dated December 17, 2014, among Regional Housing Authority of Sutter and Nevada Counties previously Consolidated Area Housing Authority of Sutter County, whose address is 1455 Butte House Road, Yuba City, CA 95993 ("Trustor"); River Valley Community Bank, whose address is P. O. Box 3689, Yuba City, CA 95992 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Placer Title Company, whose address is 1110 Civic Center Blvd., Suite 302, Yuba City, CA 95993 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Trustor irrevocably grants, transfers and assigns to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, all of Trustor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Sutter County, State of California:

**PARCEL 1:**

PARCEL 1, AS SHOWN ON PARCEL MAP NO. 44, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SUTTER COUNTY, CALIFORNIA ON APRIL 28, 1972, IN BOOK 1 OF PARCEL MAPS, PAGE 44. APN: 51-040-004

**PARCEL 2:**

LOT 2, AS SHOWN ON THE MAP OF SOUTHWIND VILLAGE UNIT ONE, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SUTTER COUNTY, CALIFORNIA, ON OCTOBER 8, 1987, IN BOOK 13 OF SURVEYS, PAGE 32. APN: 54-100-002

The Real Property or its address is commonly known as 1340 Gray Avenue and 517 & 519 Teesdale Road, Yuba City, CA 95991. The Assessor's Parcel Number for the Real Property is 51-040-004 and 54-100-002.

Trustor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Trustor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. This is an absolute assignment of Rents made in connection with an obligation secured by real property pursuant to California Civil Code Section 2938. In addition, Trustor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF THE TRUSTOR UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Deed of Trust, Trustor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Trustor's obligations under the Note, this Deed of Trust, and the Related Documents.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Trustor agrees that Trustor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Trustor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Trustor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Trustor represents and warrants to Lender that: (1) During the period of Trustor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Trustor has no knowledge of, or reason to believe

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**DEED OF TRUST  
(Continued)**

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that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Trustor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Trustor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Trustor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Trustor or to any other person. The representations and warranties contained herein are based on Trustor's due diligence in investigating the Property for Hazardous Substances. Trustor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Trustor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Trustor's ownership or interest in the Property, whether or not the same was or should have been known to Trustor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Trustor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Trustor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Trustor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Trustor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Trustor's compliance with the terms and conditions of this Deed of Trust.

**Compliance with Governmental Requirements.** Trustor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act; Trustor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Trustor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Trustor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Trustor agrees neither to abandon nor leave unattended the Property. Trustor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Trustor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Trustor. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

**Payment.** Trustor shall pay when due (and in all events at least ten (10) days prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Trustor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

**Right to Contest.** Trustor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Trustor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Trustor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Trustor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Trustor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Trustor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

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**DEED OF TRUST  
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**Notice of Construction.** Trustor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Trustor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Trustor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Deed of Trust.

**Maintenance of Insurance.** Trustor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Trustor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Trustor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Notwithstanding the foregoing, in no event shall Trustor be required to provide hazard insurance in excess of the replacement value of the improvements on the Real Property. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Trustor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Trustor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Trustor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Trustor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Trustor fails to do so within fifteen (15) days of the casualty. If in Lender's sole judgment Lender's security interest in the Property has been impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If the proceeds are to be applied to restoration and repair, Trustor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Trustor from the proceeds for the reasonable cost of repair or restoration if Trustor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Trustor as Trustor's interests may appear.

**Trustor's Report on Insurance.** Upon request of Lender, however not more than once a year, Trustor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Trustor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Trustor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Trustor's failure to discharge or pay when due any amounts Trustor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Trustor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Trustor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Deed of Trust:

**Title.** Trustor warrants that: (a) Trustor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Trustor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Trustor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Trustor's title or the interest of Trustee or Lender under this Deed of Trust, Trustor shall defend the action at Trustor's expense. Trustor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Trustor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Trustor warrants that the Property and Trustor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Trustor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Trustor's indebtedness shall be paid in full.

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**DEED OF TRUST  
(Continued)**

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**CONDEMNATION.** The following provisions relating to eminent domain and inverse condemnation proceedings are a part of this Deed of Trust:

**Proceedings.** If any eminent domain or inverse condemnation proceeding is commenced affecting the Property, Trustor shall promptly notify Lender in writing, and Trustor shall promptly take such steps as may be necessary to pursue or defend the action and obtain the award. Trustor may be the nominal party in any such proceeding, but Lender shall be entitled, at its election, to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Trustor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If any award is made or settlement entered into in any condemnation proceedings affecting all or any part of the Property or by any proceeding or purchase in lieu of condemnation, Lender may at its election, and to the extent permitted by law, require that all or any portion of the award or settlement be applied to the indebtedness and to the repayment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation proceedings.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

**Current Taxes, Fees and Charges.** Upon request by Lender, Trustor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Trustor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Trustor which Trustor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Trustor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Trustor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Trustor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. Trustor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Trustor shall not remove, sever or detach the Personal Property from the Property. Upon default, Trustor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Trustor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Trustor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Trustor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Trustor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Trustor. Unless prohibited by law or Lender agrees to the contrary in writing, Trustor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Trustor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Trustor and at Trustor's expense. For such purposes, Trustor hereby irrevocably appoints Lender as Trustor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**PARTIAL RELEASES.** Lender shall execute partial releases of the lien of this Deed of Trust upon the following conditions: WHEN THE CURRENT PRINCIPAL BALANCE FALLS BELOW \$2,182,500. THE LENDER AGREES TO RELEASE THE PROPERTY COMMONLY KNOWN AS 517 AND 519 TEESDALE ROAD, YUBA CITY, CA 95991 APN: 54-100-002.

**FULL PERFORMANCE.** If Trustor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Trustor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Trustor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Lender may charge Trustor a reasonable reconveyance fee at the time of reconveyance.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

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**DEED OF TRUST  
(Continued)**

Loan No: 400117700

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**Payment Default.** Trustor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Trustor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Trustor.

**Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

**Default on Other Payments.** Failure of Trustor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Default in Favor of Third Parties.** Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Trustor or on Trustor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The dissolution or termination of Trustor's existence as a going business, the insolvency of Trustor, the appointment of a receiver for any part of Trustor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Trustor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Trustor or by any governmental agency against any property securing the indebtedness. This includes a garnishment of any of Trustor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Trustor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Trustor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Breach of Other Agreement.** Any breach by Trustor under the terms of any other agreement between Trustor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Trustor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness.

**Adverse Change.** A material adverse change occurs in Trustor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Trustor under this Deed of Trust, after Trustor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Foreclosure by Sale.** Upon an Event of Default under this Deed of Trust, Beneficiary may declare the entire indebtedness secured by this Deed of Trust immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of 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, other documents requested by Trustee, and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recording 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 in accordance with applicable law. 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 may purchase at such 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.

**Judicial Foreclosure.** With respect to all or any part of the Real Property, Lender shall have the right in lieu of foreclosure by power of sale to foreclose by judicial foreclosure in accordance with and to the full extent provided by California law.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code, including without limitation the right to recover any deficiency in the manner and to the full extent provided by California law.

**Collect Rents.** Lender shall have the right, without notice to Trustor to take possession of and manage the Property and collect the

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(Continued)**

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Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Trustor irrevocably designates Lender as Trustor's attorney-in-fact to endorse instruments received in payment thereof in the name of Trustor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Tenancy at Sufferance.** If Trustor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Trustor, Trustor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

**Notice of Sale.** Lender shall give Trustor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Sale of the Property.** To the extent permitted by applicable law, Trustor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Trustor also will pay any court costs, in addition to all other sums provided by law.

**Rights of Trustee.** Trustee shall have all of the rights and duties of Lender as set forth in this section.

**POWERS AND OBLIGATIONS OF TRUSTEE.** The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

**Powers of Trustee.** In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Trustor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

**Obligations to Notify.** Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Trustor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

**Trustee.** Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

**Successor Trustee.** Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Sutter County, State of California. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Trustor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

**Acceptance by Trustee.** Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

**NOTICES.** Any notice required to be given under this Deed of Trust shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier,

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(Continued)**

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or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Trustor requests that copies of any notices of default and sale be directed to Trustor's address shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Trustor agrees to keep Lender informed at all times of Trustor's current address. Unless otherwise provided or required by law, if there is more than one Trustor, any notice given by Lender to any Trustor is deemed to be notice given to all Trustors.

**STATEMENT OF OBLIGATION FEE.** Lender may collect a fee, not to exceed the maximum amount permitted by law, for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Deed of Trust:

**Amendments.** This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Trustor's residence, Trustor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Trustor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

**Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Governing Law.** This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of California.

**Choice of Venue.** If there is a lawsuit, Trustor agrees upon Lender's request to submit to the jurisdiction of the courts of Sutter County, State of California.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Trustor, shall constitute a waiver of any of Lender's rights or of any of Trustor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

**Successors and Assigns.** Subject to any limitations stated in this Deed of Trust on transfer of Trustor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Trustor, Lender, without notice to Trustor, may deal with Trustor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Trustor from the obligations of this Deed of Trust or liability under the Indebtedness.

**Time is of the Essence.** Time is of the essence in the performance of this Deed of Trust.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Beneficiary.** The word "Beneficiary" means River Valley Community Bank, and its successors and assigns.

**Borrower.** The word "Borrower" means Regional Housing Authority of Sutter and Nevada Counties and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Deed of Trust.** The words "Deed of Trust" mean this Deed of Trust among Trustor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

**Default.** The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., Chapters 6.5 through 7.7 of

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(Continued)**

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Division 20 of the California Health and Safety Code, Section 25100, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Trustor's obligations or expenses incurred by Trustee or Lender to enforce Trustor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

**Lender.** The word "Lender" means River Valley Community Bank, its successors and assigns.

**Note.** The word "Note" means the promissory note dated December 17, 2014, in the original principal amount of **\$2,487,500.00** from Trustor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO TRUSTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Trustor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty or environmental agreement, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future leases, rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property together with the cash proceeds of the Rents.

**Trustee.** The word "Trustee" means Placer Title Company, whose address is 1110 Civic Center Blvd., Suite 302, Yuba City, CA 95993 and any substitute or successor trustees.

**Trustor.** The word "Trustor" means Regional Housing Authority of Sutter and Nevada Counties.

**TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND TRUSTOR AGREES TO ITS TERMS, INCLUDING THE VARIABLE RATE PROVISIONS OF THE NOTE SECURED BY THIS DEED OF TRUST.**

**TRUSTOR:**

**REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES**

**By:**

Linda J. Nichols, Executive Director and Secretary of Regional Housing Authority  
of Sutter and Nevada Counties

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CERTIFICATE OF ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )

) SS

COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_ before me, \_\_\_\_\_  
(here Insert name and title of the officer)

personally appeared Linda J. Nichols, 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)

(DO NOT RECORD)  
REQUEST FOR FULL RECONVEYANCE  
(To be used only when obligations have been paid in full)

To: \_\_\_\_\_, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: \_\_\_\_\_

Beneficiary: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

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**Regional Housing Authority of Sutter and Nevada Counties**  
1455 Butte House Road, Yuba City, CA 95993  
Phone (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929 | Fax (530) 673-0775

RESOLUTION 14-1365

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING HOMES2FAMILIES COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$1,112.43

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates affordable housing in conjunction with the City of Yuba City; and

WHEREAS, operations of affordable housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$1,112.43.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1365

H2F Properties - Yuba City  
 Collection Loss Write Off  
 Period: December 2014

<u>Name</u>	<u>Address</u>	<u>Date</u>		<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Utilities</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>
		<u>Move In</u>	<u>Move Out</u>								
Loconte, Kristi	732 Winslow Drive	06/30/14	10/27/14	\$ 900.00	\$ 1,003.93	\$ 20.00	\$ 88.50			\$ 1,112.43	No
					\$ 1,003.93	\$ 20.00	\$ 88.50	\$ -	\$ -	\$ 1,112.43	Total Write Off

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.





**Regional Housing Authority of Sutter and Nevada Counties**

1455 Butte House Road, Yuba City, CA 95993

Phone (530) 671-0220, Toll Free: (888) 671-0220

TTY: (866) 735-2929 Fax (530) 673-0775

RESOLUTION 14-1366

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING DEVONSHIRE COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$1,327.35

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates affordable housing projects such as Devonshire; and

WHEREAS, operations affordable housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$1,327.35.

This Resolution is to take effect immediately

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:

NAYS:

ABSTAINED:

ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1366

**Devonshire**  
**Collection Loss Write Off**  
**Period: December 2014**

Name	Address	Move In	Date	Move Out	Monthly Rent	Rent Owed	Late Fees	Damages	Utilities	Legal Fees	Total Owed	Payback Agreement
O'Brian, Jennifer	1431 Wescott #06	11/08/13	10/21/14		\$ -	\$ -	\$ -	\$ 598.97	\$ -	\$ -	\$ 598.97	No
Lopez, Edgar	1433 Wescott #13	11/08/13	08/21/14		\$ 668.00	\$ 90.81	\$ -	\$ 637.57	\$ -	\$ -	\$ 728.38	No
					\$	\$ 90.81	\$ -	\$ 1,236.54	\$ -	\$ -	\$ 1,327.35	Total Write Off

Deceased \*

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.



**Regional Housing Authority of Sutter and Nevada Counties**  
1455 Butte House Road, Yuba City, CA 95993  
Phone (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929 | Fax (530) 673-077  
Website: www.rhasnc.org

RESOLUTION 14-1367

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING LOW INCOME HOUSING COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$30.66

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates low-income housing projects CA 48-1, CA 48-2, CAL 48-4 and CAL 48-5 pursuant to U.S. Department of Housing and Urban Development annual contributions contract SF-211; and

WHEREAS, operations of low-income housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$30.66.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Linda J. Nichols  
Executive Director

(SEAL)

**Public Housing  
Collection Loss Write Off  
Period: December 2014**

Name	Address	Date Move In	Date Move Out	Monthly Rent	Rent Owed	Late Fee's	Damages	Utilities	Legal Fee's	Total Owed	Payback Agreement
Jacobo, Patricia	403 Atwood	03/23/11	09/30/14	\$ 798.00	\$ -	\$ -	\$ 30.66	\$ -	\$ -	\$ 30.66	No
										\$ 30.66	Total Write Off

Deceased \*

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A



**Regional Housing Authority of Sutter and Nevada Counties**

1455 Butte House Road, Yuba City, CA 95993  
Phone (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929 | Fax (530) 673-0775  
Website: www.rhasnc.org

RESOLUTION 14-1368

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING RURAL DEVELOPMENT COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$687.41

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates farm work housing project Phases I, II and III pursuant to Rural Development regulations; and

WHEREAS, operations of farm work housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$371.08.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1368

41

**Rural Development Properties  
Collection Loss Write Off  
Period: December 2014**

<u>Name</u>	<u>Address</u>	<u>Date</u>		<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Utilities</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>
		<u>Move In</u>	<u>Move Out</u>								
Villa, Diana	380 McKeehan, Unit X	10/04/12	10/04/14	\$ 345.00	\$ -	\$ -	\$ 371.08	\$ -	\$ -	\$ 371.08	No
				\$ -	\$ -	\$ -	\$ 371.08	\$ -	\$ -	\$ 371.08	
										\$ 371.08	Total Write Off

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Deceased \*

Exhibit A



**Regional Housing Authority of Sutter and Nevada Counties**  
1455 Butte House Road, Yuba City, CA 95993  
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TTY: (866) 735-2929 | Fax (530) 673-0775

RESOLUTION 14-1369

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING PERCY AVENUE COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$766.88

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates affordable housing projects such as Percy Avenue; and

WHEREAS, operations affordable housing includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$766.88.

This Resolution is to take effect immediately

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1369

**Percy - Yuba City  
Collection Loss Write Off  
Period: December 2014**

<u>Name</u>	<u>Address</u>	<u>Date</u>	<u>Move In</u>	<u>Move Out</u>	<u>Monthly Rent</u>	<u>Rent Owed</u>	<u>Late Fee's</u>	<u>Damages</u>	<u>Utilities</u>	<u>Legal Fee's</u>	<u>Total Owed</u>	<u>Payback Agreement</u>
Valdez, Erica	430 Percy Ave, #8	10/19/12	09/17/14		\$ 541.00	\$ 543.00	\$ 20.00	\$ 203.88	\$ -	\$ -	\$ 766.88	No
					\$ 543.00	\$ 20.00	\$ 203.88	\$ -	\$ -	\$ -	<b>\$ 766.88</b>	<b>Total Write Off</b>

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Deceased \*

Exhibit A

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**Regional Housing Authority of Sutter and Nevada Counties**

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TTY: (866) 735-2929 | Fax (530) 673-0775  
Website: www.rhasnc.org

**RESOLUTION 14-1370**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING HOUSING CHOICE VOUCHER COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$5,556.00

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates the Housing Choice Voucher program for Sutter, Nevada and Colusa Counties; and

WHEREAS, operations of the Housing Choice Voucher program includes assisting families who are low income; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances due to fraud; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$5,556.00.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1370

45

**HCV Fraud Recovery**  
**Collection Loss Write Off**  
**Period: December 2014**

Name	HAP Fraud Recovery Amount Owed	Late Fee's	NSF Fee's	Legal Fee's	Total Owed	Payback Agreement
Castillo, Nancy	\$ 554.00	\$ -	\$ -	\$ -	\$ 554.00	Yes
McGraw, Austinia	\$ 756.00	\$ -	\$ -	\$ -	\$ 756.00	Yes
Ruiz-Alejo, Veronica	\$ 3,808.00	\$ -	\$ -	\$ -	\$ 3,808.00	Yes
Leos, Veronica	\$ 438.00	\$ -	\$ -	\$ -	\$ 438.00	Yes
	\$ 5,556.00	\$ -	\$ -	\$ -	\$ 5,556.00	Total Write-Off

Tenants listed with Payback Agreement's failed to honor the Agreement.



**Regional Housing Authority of Sutter and Nevada Counties**  
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Website: [www.rhasnc.org](http://www.rhasnc.org)

RESOLUTION 14-1371

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING KINGWOOD COMMONS APARTMENTS COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$1,780.08

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates Kingwood Commons pursuant to Section 8 regulations; and

WHEREAS, operations of Kingwood Commons includes the collection of monthly rental amounts; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$1,780.08.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST: \_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

Kingwood Commons  
 1340 Gray Avenue, Yuba City  
 Collection Loss Write Off  
 Period: December 2014

Name	Apartment	Date		Monthly Rent	Rent Owed	Late Fee's	Damages	Utilities	Legal Fee's	Total Owed	Payback Agreement
		Move In	Move Out								
Perez, David	10	10/18/12	08/27/14	\$ 635.00	\$ 26.20	\$ 40.00	\$ 657.50	\$ -	\$ -	\$ 723.70	No
	18	05/02/12	10/21/14	\$ 635.00	\$ -	\$ -	\$ 1,056.38	\$ -	\$ -	\$ 1,056.38	No
										\$1,780.08	Total Write Off

Deceased \*

Tenants listed with Payback Agreement's failed to honor the Agreement.

Utility costs incurred by PHA from tenant move-in date until transferred to tenant's name. Those charges are then billed to the tenant.

Exhibit A

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**Regional Housing Authority of Sutter and Nevada Counties**

1455 Butte House Road, Yuba City, CA 95993  
Phone (530) 671-0220, Toll Free: (888) 671-0220  
TTY: (866) 735-2929 | Fax (530) 673-0775  
Website: www.rhasnc.org

RESOLUTION 14-1372

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING HOUSING CHOICE VOUCHER LANDLORD OVERPAYMENTS COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$3,978.00

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties operates the Housing Choice Voucher program for Sutter, Nevada and Colusa Counties; and

WHEREAS, operations of the Housing Choice Voucher program includes assisting families who are low income and making monthly rental payments to landlords; and

WHEREAS, the Regional Housing Authority of Sutter and Nevada Counties makes every attempt to collect outstanding balances due to overpayments; and

WHEREAS, Exhibit A provides a list of uncollectible accounts for the period ending December 31, 2014 and is made a part of this resolution;

BE IT THEREFORE RESOLVED that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director to write-off as collection losses the tenant receivables listed on Exhibit A totaling \$3,978.00.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December, 2014 by the following vote:

AYES:  
NAYS:  
ABSTAINED:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Linda J. Nichols,  
Executive Director

(SEAL)

H:Reso\14-1372

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**HCV Landlord Overpayments  
Collection Loss Write Off  
Period: December 2014**

<u>Name</u>	<u>HCV Landlord Overpayment</u>	<u>Re-paid to RHASNC</u>	<u>Total Owed</u>
Endsley, Bianca E.	\$ 10.00	\$ -	\$ 10.00
Vigiani, Charlie	\$ 734.00	\$ -	\$ 734.00
Ramirez, Martha	\$ 339.00	\$ -	\$ 339.00
Fresquez-Garcia, Reina	\$ 319.00	\$ -	\$ 319.00
Gates, Jennifer	\$ 457.00	\$ -	\$ 457.00
Rasul, Josephine	\$ 196.00	\$ -	\$ 196.00
Singh, Harpreet	\$ 549.00	\$ -	\$ 549.00
Rai, Kashmir	\$ 395.00	\$ -	\$ 395.00
Williams, Janis	\$ 445.00	\$ -	\$ 445.00
Fortna, William	\$ 28.00	\$ -	\$ 28.00
Upton, Joshua R.	\$ 283.00	\$ 200.00	\$ 83.00
Fell, Gary S.	\$ 107.00	\$ -	\$ 107.00
Uriostegui, Lamberto	\$ 316.00	\$ -	\$ 316.00
	<b>\$ 4,178.00</b>	<b>\$ 200.00</b>	<b>\$ 3,978.00</b>

Exhibit A



**Regional Housing Authority of Sutter and Nevada Counties**

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Phone: (530) 671-0220, Toll Free: (888) 671-0220  
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www.rhasnc.org

**RESOLUTION 14-1373**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES AUTHORIZING THE SIGNATURE OF CSBG CONTRACT – 2015SCSBG-14 FOR \$10,000 GRANT RECEIVED IN SUPPORT OF FAMILY-SELF SUFFICIENCY CONTRACT**

**WHEREAS**, the Regional Housing Authority of Sutter and Nevada Counties (Authority) operates a Section 8 Family Self-Sufficiency Program pursuant to the United States Department of Housing and Urban Development (HUD) regulations; and

**WHEREAS**, HUD requires the Authority assist families in developing self-sufficiency and eliminating the need for government assistance; and

**WHEREAS**, the Sutter County Community Action Agency has awarded the Authority \$10,000 from the Community Services Block Grant (CSBG) for the purpose of providing supportive services to the families residing in Sutter County; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Regional Housing Authority of Sutter and Nevada Counties authorizes the Executive Director or his/her designee to sign CSBG Contract – 2015SCSBG-14 for the purpose of drawing the funds necessary to assist those families who reside in Sutter County.

This Resolution is to take effect immediately.

This Resolution is presented at the Regular Meeting of the Board of Commissioners, passed and adopted this 17<sup>th</sup> day of December 2014, by the following vote:

- AYES:
- NAYES:
- ABSTAINED:
- ABSENT:

ATTEST: \_\_\_\_\_  
Diane Hodges, Chairperson

**REGIONAL HOUSING AUTHORITY  
OF SUTTER & NEVADA COUNTIES**

**STAFF REPORT**

Date: December 17, 2014

To: Board of Commissioners

From: Jeni Bobadilla, Housing Services Manager

**SUBJECT:** Quarterly Occupancy (Q2 & Q3) report for quarter ending June 30, 2014 & September 30, 2014

**RECOMMENDATION:** None

**FISCAL IMPACT:** Budget based allocations per funding sources

**Housing and Urban Development (HUD) Funded Programs:**

Development/Program	Units Available	April	May	June	July	August	September
HCV/Section 8 (Sutter-829 includes 49 Project Based Vouchers) Nevada-295 Colusa-36)	Budget Based Allocation	Total-985 Sutter-713 Nevada-246 Colusa-26	Total-975 Sutter-703 Nevada-245 Colusa-27	Total-972 Sutter-701 Nevada-244 Colusa-27	Total-968 Sutter-696 Nevada-246 Colusa-26	Total-980 Sutter-704 Nevada-250 Colusa-26	Total-994 Sutter-714 Nevada-255 Colusa-25
HCV Port-In Administered	N/A	4	3	1	0	0	0
Public Housing	173	164	165	169	171	172	171

**United States Department of Agriculture (USDA)/Rural Development:**

Development	Units Available	April	May	June	July	August	September
USDA/Farm Labor	180	142	144	144	145	144	146
Centennial Arms	21	16	16	16	16	16	16
Butte View	32	31	32	32	32	32	32



**Office of Migrant (OMS) Services**

Development	Units Available	April	May	June	July	August	September
Migrant Center	78	0	42	44	55	54	52

**Local Camp 35 (LC35):**

Development	Units Available	April	May	June	July	August	September
Transitional Trailer	1	1	1	1	1	1	1
Trailer Park	9	9	9	9	9	9	9

**RHASNC Owned and/or Managed Affordable Housing Properties:**

Development	Units Available	April	May	June	July	August	September
Kingwood Commons	64	54	53	52	53	54	58
Percy Avenue	8	6	6	5	5	7	7
Homes2Families	18	6	5	9	8	8	9
MH-Teesdale-SRO's	6	6	6	3	3	3	3
MH-814 F-SRO's	10	8	8	8	9	8	7
Neighborhood Stabilization Program -1	9	9	9	9	9	8	9
Neighborhood Stabilization Program-3	Fully Leased as Units were released for occupancy	4	4	4	5	7	7

**Sutter Community Affordable Housing/Non-Profit**

Development	Units Available	April	May	June	July	August	September
Town Center	28	28	28	27	28	28	27
Yolo-Heiken	5	5	5	5	5	5	5

**Commercial Space**

	Units	April	May	June	July	August	September
Miles Market	1	1	1	1	1	1	1
YUCUSD-Bernard	1	1	1	1	1	1	1
Del Norte	1	1	1	1	1	1	1

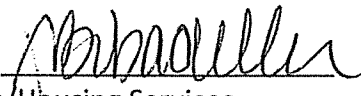
Comments:

Housing Choice Voucher Program:

The program is continuing to issue and lease new vouchers from the waiting list. As of 11/24/2014 there are 1024 on the program and 175 vouchers searching. RHASNC was just awarded 10 VASH vouchers to assist Veterans in Nevada County. Yuba County will add another 449 vouchers, for a total of 1619 vouchers allotted to RHASNC.

USDA Rural Development:

The units continue to be scheduled for rehab and families are transitioning from one building to another as the rehab progresses. We are currently waiting for final funding to complete the remaining units.

Prepared by:   
Jeni Bobadilla/Housing Services  
Manager

Submitted by: \_\_\_\_\_  
Linda J. Nichols/Executive Director

REGIONAL HOUSING AUTHORITY  
OF SUTTER COUNTY AND NEVADA COUNTIES

STAFF REPORT

Date:

To: Board of Commissioners

From: Tom Goodwin, Interim Chief Operations Manager

SUBJECT: Maintenance and Operations

RECOMMENDATION: None

FISCAL IMPACT: Not applicable

Department Update:

- Total work orders for April 2014 to June 2014 were 957, break down as follows:

Pending 0  
Cancelled 0  
Scheduled 2  
Completed 935  
(Completed HQS: 56)  
(Completed Turn Over's: 33)

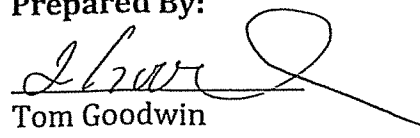
- Work Orders by Priority were:

Emergencies 232  
Routine 685 (83 pest work orders)  
Scheduled 7  
Turn Over's 33

- Total number of Work Orders & Turn Over's by Projects:

	bve	ca	date	devonsh	h2f	joann	kc	Lc-35	mp	mh	nsp	oms	percy	rd	rich-02	tc	tp	tt	yolo	TOTAL
Work Orders	45	21	74	15	33	49	107	15	33	30	48	22	12	191	180	36	7	2	4	924
Turn Over's	2	2	2	0	2	0	7	0	2	1	0	0	2	9	3	1	0	0	0	33

Prepared By:

  
Tom Goodwin

Submitted By:

\_\_\_\_\_  
Linda Nichols

REGIONAL HOUSING AUTHORITY  
OF SUTTER COUNTY AND NEVADA COUNTIES

STAFF REPORT

Date:

To: Board of Commissioners

From: Tom Goodwin, Interim Chief Operations Manager

SUBJECT: Maintenance and Operations

RECOMMENDATION: None

FISCAL IMPACT: Not applicable

Department Update:

- Total work orders for July 2014 to September 2014 were 1109, break down as follows:

Pending 0  
Cancelled 0  
Scheduled 1  
Completed 1108  
(Completed HQS: 77)  
(Completed Turn Over's: 40)

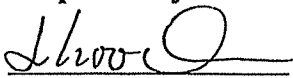
- Work Orders by Priority were:

Emergencies 276  
Routine 788 (126 pest work orders)  
Scheduled 5  
Turn Over's 40

- Total number of Work Orders & Turn Over's by Projects:

	bve	ca	date	devonsh	h2f	joann	kc	Lc-35	mp	mh	nsp	oms	percy	rd	rich-02	tc	tp	tt	yolo	TOTAL
Work Orders	40	30	48	51	36	46	121	16	32	32	64	30	19	292	150	43	7	2	10	1069
Turn Over's	1	6	2	0	1	1	6	0	2	7	3	0	1	8	1	1	0	0	0	40

Prepared By:



Tom Goodwin

Submitted By:

\_\_\_\_\_  
Linda Nichols

**REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES  
STAFF REPORT**

**Date:** December 17, 2014  
**To:** Board of Commissioners  
**From:** Gail Allen -- Chief, Finance/Administration

---

**SUBJECT:** Financial Review  
Project Net Income Activity through October 31, 2014  
Reserve Account Balances Activity through December 3, 2014

---

**Housing Choice Vouchers (restricted - 1,160 vouchers)**

- *HUD Housing Assistance Payments (NRA)* – 99.7% proration
  - Subsidizes tenant rents in the community
  - Funding predetermined and prorated by HUD
  - Cannot be used to offset shortfalls in Operations

Net Income of \$257,047 will be returned to HUD and held in trust for future lease-up activities.

- *HUD Administration Fee (UNA)* – 79% proration
  - Covers operating expenses
  - Funding determined by vouchers utilized each month
  - May be used to offset shortfalls in Housing Assistance Payments (HAP's/NRA)

Net Income of <\$8,858 will be offset by reductions in operations through March 31, 2015.

**Public Housing (restricted-173 units; Date Street, Joann Way, Richland)**

Net Income of \$177,392 will be used for FYE 2015 operational as well as rehab activities.

**Rural Development (restricted-234 units, Butte View, Centennial Arms, Richland Housing)**

Net Income of \$144,520 will be used to offset prior year deficits as well support FYE 2015 operational and rehab activities.

**Neighborhood Stabilization Program 1 & 3 (restricted-20 units, pending City transfer)**

NSP-1 Net Income of <\$21,876 will be offset by a reserve withdrawal and NSP-3 Net Income of \$10,316 will be used to offset a prior year deficit.

**Mental Health Housing Services (restricted-16 units)**

Net income of <\$10,004 will be offset by a reserve withdrawal.

**Homes2Families (restricted-19 units)**

Units are owned by the City of Yuba City and managed by the Housing Authority. Net Income of <\$21,515 includes \$100 per unit per month (\$12,600) mandatory capital reserves and will be offset by maintenance reserve withdrawal.

**Unrestricted Properties**

- **CC-xx** (Cost Centers) – Net Income of \$23,115 is from Management and Work Order fees as well as payroll costs from Work Order programs.
- **PCD** (Planning/Community Development) – Net Income of <\$35,950 is from revenue/expenses for grants managed by the Housing Authority for local jurisdictions, such as the First-Time Home Buyer and Owner Occupied Rehab programs. Offset will come from future month billings.
- **CWS** (Cold Weather Shelter-seasonal) – No activity and may not be funded by Salvation Army.
- **Dev-xx** (Development Projects) – Net Income of <\$134,532 is from on-going development such as Maple Park Phase 2 and Richland Housing Phase 1.
- **HH** (Healthy Homes) – Net income of \$<445 due to cost of annual audit.
- **KC** (Kingwood Commons) -- Net Income of <\$147,950 will be offset by Net Income in other Unrestricted Properties as well as a reduction in daily operational expenses. Through refinancing Bond debt, this program will have a reduction in monthly debt service payments of \$10,000 per month beginning January 2015. That with management monitoring ways to reduce daily costs while researching funding streams to upgrade unit interiors, resulting in higher occupancy and tenant rents, it is anticipated this program will eventually break even in future fiscal years.
- **LC-35** (Miles Market, School, Solar Farm) – Net Income is \$15,713.
- **Percy** -- Net Income is \$4,103.
- **TP (Trailer Park)** -- Net Income of \$5,315.
- **TT** (Manufactured Housing) -- Net Income is \$3,949.
- **Trio** – Pending monthly updates from management company.

**RESERVE ACCOUNTS:**

All security deposit accounts are funded and reserves listed below remain restricted to their individual programs.

*Capital/Maintenance Reserves:*

Homes2Families (owned by Yuba City).....	\$114,994
Homes2Families (owned by Yuba City).....	\$154,825
Housing Choice Voucher (HAP) - \$172,738 returned to HUD as unused Set Aside.....	\$188,079
Housing Choice Voucher (FSS Escrow).....	\$82,638
Mental Health (Heather Glenn) .....	\$11,772
Mental Health (Teesdale).....	\$14,216
Neighborhood Stabilization-1 .....	\$12,887

### Housing Choice Voucher Program

Period = Apr 2014-Oct 2014

Admin Fee							
	Actual	Budget					
<b>INCOME</b>							
<b>GRANT INCOME</b>							
Section 8 Admin. Fee Income	341,525	408,797					
Section 8 FSS Grant Income	29,810	29,810					
Section 8 Port-In Admin Fees	408	4,735					
<b>TOTAL GRANT INCOME</b>	<b>371,743</b>	<b>443,342</b>					
<b>EXPENSES</b>							
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	327,820	395,303					
<b>TOTAL FAMILY SELF SUFFICIENCY EXPENSES</b>	33,728	30,008					
<b>TOTAL UTILITY EXPENSES</b>	4,112	3,821					
<b>TOTAL MAINTENANCE EXPENSES</b>	6,287	4,327					
<b>TOTAL GENERAL EXPENSES</b>	8,654	8,205					
<b>TOTAL EXPENSES</b>	<b>380,600</b>	<b>441,663</b>					
<b>NET INCOME</b>	<b>-8,858</b>	<b>1,679</b>					

### Housing Assistance Payments (HAP's)

	RHASNC	Colusa	Maple Park	Maple Park Project Based	Nevada	Port-Outs	Yolo Heiken Project Based	Total
<b>INCOME</b>								
<b>NET TENANT INCOME</b>	-15	0	0	0	0	0	0	-15
<b>GRANT INCOME</b>								
Section 8 HAP Earned	3,256,236	0	0	0	0	0	0	3,256,236
Port In HAP Earned	0	0	0	0	0	3,197	0	3,197
<b>TOTAL GRANT INCOME</b>	<b>3,256,236</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,197</b>	<b>0</b>	<b>3,259,433</b>
<b>OTHER INCOME</b>								
Investment Income - Restricted	412	0	0	0	0	0	0	412
Fraud Recovery	7,762	1,412	0	0	4,695	0	0	13,869
<b>TOTAL OTHER INCOME</b>	<b>8,174</b>	<b>1,412</b>	<b>0</b>	<b>0</b>	<b>4,695</b>	<b>0</b>	<b>0</b>	<b>14,281</b>
<b>TOTAL INCOME</b>	<b>3,264,395</b>	<b>1,412</b>	<b>0</b>	<b>0</b>	<b>4,695</b>	<b>3,197</b>	<b>0</b>	<b>3,273,699</b>
<b>EXPENSES</b>								
<b>TOTAL GENERAL EXPENSES</b>	4,418	0	0	472	0	0	0	4,890
<b>HOUSING ASSISTANCE PAYMENTS</b>								
Housing Assistance Payments	1,736,999	58,114	65,196	198,894	857,831	2,168	14,491	2,933,693
Tenant Utility Payments	6,825	0	127	879	2,376	0	0	10,207
Port-Out HAP's	32,503	11,198	0	0	12,332	0	0	56,033
FSS Escrow Payments	9,937	0	0	0	1,893	0	0	11,830
<b>TOTAL HOUSING ASSISTANCE PAYMENTS</b>	<b>1,786,264</b>	<b>69,312</b>	<b>65,323</b>	<b>199,773</b>	<b>874,432</b>	<b>2,168</b>	<b>14,491</b>	<b>3,011,763</b>
<b>TOTAL EXPENSES</b>	<b>1,790,682</b>	<b>69,312</b>	<b>65,323</b>	<b>200,245</b>	<b>874,432</b>	<b>2,168</b>	<b>14,491</b>	<b>3,016,653</b>
<b>NET INCOME</b>	<b>1,473,713</b>	<b>-67,900</b>	<b>-65,323</b>	<b>-200,245</b>	<b>-869,737</b>	<b>1,029</b>	<b>-14,491</b>	<b>257,047</b>

**Public Housing**

Period = Apr 2014-Oct 2014

	Date Street		Joann Way		Richland		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
<b>INCOME</b>								
NET TENANT INCOME	92,169	86,164	38,070	41,140	283,065	262,114	413,303	389,418
GRANT INCOME								
HUD PHA Operating Grants/Subsidy	46,995	96,039	20,141	57,385	208,122	113,983	275,258	267,407
Capital Fund Grants	39,056	23,898	16,738	10,242	172,961	125,000	228,755	159,140
TOTAL GRANT INCOME	86,051	119,937	36,879	67,627	381,083	238,983	504,013	426,547
TOTAL OTHER INCOME	92	9,237	5	5,649	15	26,571	112	41,456
TOTAL INCOME	178,312	215,338	74,953	114,416	664,163	527,668	917,428	857,422
<b>EXPENSES</b>								
TOTAL ADMINISTRATIVE EXPENSES	49,221	64,799	28,113	37,946	128,068	147,291	205,403	250,036
TOTAL TENANT SERVICES EXPENSES	1,684	6,954	2,651	1,004	1,090	5,154	5,425	13,112
TOTAL UTILITY EXPENSES	39,096	42,989	12,333	12,441	67,616	63,853	119,045	119,283
TOTAL MAINTENANCE EXPENSES	62,208	74,046	20,616	48,748	225,708	208,740	308,532	331,534
TOTAL GENERAL EXPENSES	15,586	19,258	7,253	11,088	78,766	55,370	101,605	85,716
TOTAL HOUSING ASSISTANCE PAYMENTS	0	0	0	0	26	0	26	0
TOTAL EXPENSES	167,794	208,046	70,967	111,227	501,276	480,408	740,036	799,681
<b>NET INCOME</b>	<b>10,518</b>	<b>7,292</b>	<b>3,987</b>	<b>3,189</b>	<b>162,887</b>	<b>47,260</b>	<b>177,392</b>	<b>57,741</b>

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## Rural Development

Period = Apr 2014-Oct 2014

	Butte View Estates		Centennial Arms		Richland Housing		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
<b>INCOME</b>								
TOTAL TENANT INCOME	156,331	156,586	96,628	119,436	1,133,104	1,053,921	1,386,064	1,329,943
TOTAL OTHER INCOME	91	0	376	0	4,397	0	4,865	0
TOTAL INCOME	156,423	156,586	97,004	119,436	1,137,501	1,053,921	1,390,928	1,329,943
<b>EXPENSES</b>								
TOTAL ADMINISTRATIVE EXPENSES	46,376	28,914	19,011	24,552	171,547	271,991	236,934	325,458
TOTAL TENANT SERVICES EXPENSES	6,736	1,669	0	4,990	482	2,100	7,217	8,759
TOTAL UTILITY EXPENSES	23,888	26,392	15,681	18,100	120,305	133,413	159,874	177,905
TOTAL MAINTENANCE EXPENSES	42,097	38,288	33,480	15,775	293,453	337,437	369,031	391,500
TOTAL GENERAL EXPENSES	6,908	8,821	6,905	5,525	86,218	43,754	100,031	58,100
TOTAL FINANCING EXPENSES	39,082	39,082	33,165	33,164	139,171	139,172	211,418	211,418
<b>NON-OPERATING ITEMS</b>								
Reserve - Maintenance Reserve	5,600	5,600	0	0	0	0	5,600	5,600
Reserve - Capital Savings	10,129	10,128	11,599	11,599	134,575	134,580	156,303	156,307
TOTAL NON-OPERATING ITEMS	15,729	15,728	11,599	11,599	134,575	134,580	161,903	161,907
TOTAL EXPENSES	180,816	158,894	119,841	113,705	945,751	1,062,447	1,246,408	1,335,046
<b>NET INCOME</b>	-24,394	-2,308	-22,836	5,731	191,750	-8,527	144,520	-5,104

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Neighborhood Stabilization Program - 1 & 3

Period = Apr 2014-Oct 2014

	1-1942	1-2085	1-2368	1-2660	1-3050	1-3117	1-714	1-760	1-898	3-124	3-139	3-147	3-176	3-180	3-185	3-199	3-200	3-238	3-344	3-911	3-954	Total	
<b>INCOME</b>																							
NET TENANT INCOME	5,618	6,246	6,003	6,767	5,618	5,618	4,969	6,003	5,705	0	5,715	0	2,152	5,866	5,618	0	0	6,146	0	0	2,426	1,690	82,159
TOTAL GRANT INCOME	0	0	0	0	0	0	0	0	52,061	0	0	0	0	0	0	0	0	0	0	0	0	0	52,061
TOTAL OTHER INCOME	1	2	1	0	0	2	2	2	0	0	0	0	0	0	366	0	0	1	0	0	0	0	377
<b>TOTAL INCOME</b>	<b>5,619</b>	<b>6,248</b>	<b>6,004</b>	<b>6,767</b>	<b>5,618</b>	<b>5,620</b>	<b>4,970</b>	<b>6,005</b>	<b>5,705</b>	<b>52,061</b>	<b>5,715</b>	<b>0</b>	<b>2,152</b>	<b>5,866</b>	<b>5,984</b>	<b>0</b>	<b>0</b>	<b>6,147</b>	<b>0</b>	<b>0</b>	<b>2,426</b>	<b>1,690</b>	<b>134,597</b>
<b>EXPENSES</b>																							
TOTAL ADMINISTRATIVE EXPENSES	765	765	790	790	790	765	889	790	765	101,774	342	0	37	352	352	258	0	352	0	37	0	0	110,615
TOTAL UTILITY EXPENSES	915	882	935	947	898	535	975	681	708	2	842	0	520	743	646	659	21	778	60	0	558	795	13,039
TOTAL MAINTENANCE EXPENSES	8,710	2,846	2,162	3,660	2,598	2,507	11,452	12,172	3,912	12	1,151	1,084	489	1,695	663	1,296	1,084	1,107	0	1,203	521	848	61,171
TOTAL GENERAL EXPENSES	204	222	138	134	146	191	181	5,860	128	0	0	0	18	-126	0	0	0	225	0	0	0	0	7,922
<b>NON-OPERATING ITEMS</b>																							
Reserve - Capital Savings	282	307	307	282	282	280	282	307	292	0	233	0	0	299	282	0	0	307	0	0	0	0	3,738
<b>TOTAL EXPENSES</b>	<b>10,876</b>	<b>5,022</b>	<b>4,332</b>	<b>5,814</b>	<b>4,714</b>	<b>4,279</b>	<b>13,779</b>	<b>19,810</b>	<b>5,806</b>	<b>101,789</b>	<b>2,568</b>	<b>1,084</b>	<b>1,046</b>	<b>3,102</b>	<b>1,818</b>	<b>2,212</b>	<b>1,104</b>	<b>2,769</b>	<b>60</b>	<b>1,240</b>	<b>1,079</b>	<b>1,582</b>	<b>195,884</b>
<b>NET INCOME</b>	<b>-5,257</b>	<b>1,226</b>	<b>1,672</b>	<b>953</b>	<b>904</b>	<b>1,341</b>	<b>-8,809</b>	<b>-13,805</b>	<b>-101</b>	<b>-49,728</b>	<b>3,147</b>	<b>-1,084</b>	<b>1,106</b>	<b>2,764</b>	<b>4,167</b>	<b>-2,212</b>	<b>-1,104</b>	<b>3,378</b>	<b>-60</b>	<b>-1,240</b>	<b>1,347</b>	<b>108</b>	<b>-61,287</b>

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## Mental Health

Period = Apr 2014-Oct 2014

	Heather Glen		Teesdale		Program	Total	
	Actual	Budget	Actual	Budget	Actual	Actual	Budget
<b>INCOME</b>							
NET TENANT INCOME	16,268	14,924	15,025	15,880	0	31,293	30,804
TOTAL GRANT INCOME	0	6,103	0	0	0	0	6,103
TOTAL OTHER INCOME	1	0	4	4	0	5	4
<b>TOTAL INCOME</b>	<b>16,268</b>	<b>21,027</b>	<b>15,029</b>	<b>15,884</b>	<b>0</b>	<b>31,297</b>	<b>36,910</b>
<b>EXPENSES</b>							
TOTAL ADMINISTRATIVE EXPENSES	4,098	2,777	4,117	4,992	-351	7,864	7,769
TOTAL UTILITY EXPENSES	7,258	10,385	5,981	5,169	0	13,240	15,553
TOTAL MAINTENANCE EXPENSES	3,185	3,170	4,864	5,340	0	8,049	8,510
TOTAL GENERAL EXPENSES	11,311	298	839	384	0	12,149	682
<b>NON-OPERATING ITEMS</b>							
Reserve - Maintenance Reserve	0	1,335	0	0	0	0	1,335
Reserve - Capital Savings	0	3,063	0	0	0	0	3,063
<b>TOTAL NON-OPERATING ITEMS</b>	<b>0</b>	<b>4,398</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,398</b>
<b>TOTAL EXPENSES</b>	<b>25,851</b>	<b>21,027</b>	<b>15,801</b>	<b>15,885</b>	<b>-351</b>	<b>41,302</b>	<b>36,912</b>
<b>NET INCOME</b>	<b>-9,583</b>	<b>0</b>	<b>-772</b>	<b>-2</b>	<b>351</b>	<b>-10,004</b>	<b>-2</b>

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Homes2Families

Period = Apr 2014-Oct 2014

	1035	1082	1483	529	545	590	514	625	716	732	764	815	817	825	829	833	847	899	925	Total
<b>INCOME</b>																				
NET TENANT INCOME	6,621	6,255	6,271	6,045	7,006	2,867	7,383	6,433	7,830	5,110	7,088	3,975	3,937	6,615	4,283	5,617	6,615	7,680	4,486	112,118
TOTAL OTHER INCOME	36	87	1	1	2	1	1	1	1	3	3	1	1	2	10	2	3	2	1	157
TOTAL INCOME	6,657	6,342	6,272	6,046	7,008	2,868	7,384	6,434	7,831	5,113	7,091	3,976	3,938	6,617	4,293	5,619	6,618	7,682	4,488	112,275
<b>EXPENSES</b>																				
TOTAL ADMINISTRATIVE EXPENSES	1,075	1,075	1,050	1,271	1,050	2,170	1,050	1,500	1,050	1,087	1,075	1,115	1,197	1,075	1,112	1,100	1,075	1,525	1,562	23,214
TOTAL TENANT SERVICES EXPENSES	0	0	0	0	0	0	0	348	0	0	0	0	0	0	0	0	0	0	0	348
TOTAL UTILITY EXPENSES	748	761	763	828	885	593	756	723	936	637	827	944	398	649	751	678	656	733	957	14,223
TOTAL MAINTENANCE EXPENSES	1,285	1,506	3,112	14,106	1,874	1,850	1,397	10,092	1,405	3,437	2,238	1,542	2,612	1,273	3,610	3,594	1,773	16,049	9,455	82,211
TOTAL GENERAL EXPENSES	2	2	2	2	2	1,164	2	2	2	2	2	2	2	2	2	2	2	2	2	1,194
TOTAL NON-OPERATING ITEMS	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	12,600
TOTAL EXPENSES	3,809	4,043	5,627	16,907	4,511	5,777	3,905	13,364	4,093	5,863	4,842	4,303	4,909	3,699	6,175	6,074	4,206	19,009	12,675	133,791
<b>NET INCOME</b>	2,848	2,299	646	-10,861	2,497	-2,910	3,479	-6,930	3,738	-750	2,249	-327	-971	2,918	-1,882	-455	2,411	-11,327	-8,188	-21,515

**Unrestricted Properties**

Period = Apr 2014-Oct 2014

	bbp	cc-h2f	cc-mp	cc-nonpr	cc-nsp	cd-contr	cd-sub	dev-mp1	dev-mp2	Devonshire	hh	Kingwood Commons	Kristen	LC-35	Maple Park	Percy	Trailer Park	Transitional Trailer	Total						
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Actual	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget		
<b>INCOME</b>																									
NET TENANT INCOME	0	0	0	0	0	0	0	0	0	142,292	0	251,642	300,231	0	42,366	44,365	0	25,267	31,966	25,231	25,961	4,865	16,793	491,664	419,317
TOTAL GRANT INCOME	0	0	0	0	0	14,209	123,172	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	137,381	0
TOTAL OTHER INCOME	450	40,200	5,883	43,023	7,050	20	1,750	0	0	0	0	6	0	0	42,929	62,150	0	0	0	0	0	0	0	141,310	62,150
<b>TOTAL INCOME</b>	<b>450</b>	<b>40,200</b>	<b>5,883</b>	<b>43,023</b>	<b>7,050</b>	<b>14,229</b>	<b>124,922</b>	<b>0</b>	<b>0</b>	<b>142,292</b>	<b>0</b>	<b>251,648</b>	<b>300,231</b>	<b>0</b>	<b>85,294</b>	<b>106,515</b>	<b>0</b>	<b>25,268</b>	<b>31,966</b>	<b>25,231</b>	<b>25,961</b>	<b>4,865</b>	<b>16,793</b>	<b>770,355</b>	<b>481,467</b>
<b>EXPENSES</b>																									
TOTAL ADMINISTRATIVE EXPENSES	654	12,688	1,133	24,861	0	4,496	168,241	-1,025	110,123	26,306	445	53,471	50,601	8,176	12,250	9,028	36	6,655	8,588	4,571	7,284	0	456	433,081	75,956
TOTAL TENANT SERVICES EXPENSES	0	0	0	5,239	0	0	0	0	0	24,404	0	5,352	823	0	0	0	0	0	0	31	15	0	0	35,026	838
TOTAL UTILITY EXPENSES	0	0	0	0	0	0	58	0	0	30,362	0	37,632	37,101	0	219	0	0	4,087	3,926	5,409	5,203	0	0	77,766	46,230
TOTAL MAINTENANCE EXPENSES	0	9,145	4,821	10,547	4,606	0	1,725	0	0	42,497	0	115,894	56,302	0	1,525	0	0	9,101	6,877	9,089	12,418	800	2,415	209,750	78,012
TOTAL GENERAL EXPENSES	0	0	0	0	0	0	581	0	0	2,321	0	17,477	8,047	0	10,206	0	0	1,321	12,919	817	1,171	116	13,973	32,838	36,110
TOTAL HOUSING ASSISTANCE PAYMENTS	0	0	0	0	0	0	0	0	0	22	0	0	0	0	0	0	0	0	0	0	0	0	0	22	0
TOTAL FINANCING EXPENSES	0	0	0	0	0	0	0	0	0	32,613	0	169,769	169,754	0	45,382	45,820	0	0	0	0	0	0	0	247,765	215,573
TOTAL NON-OPERATING ITEMS	0	0	0	0	0	0	0	0	0	0	0	-19,629	0	0	19,629	0	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>654</b>	<b>21,833</b>	<b>5,954</b>	<b>40,647</b>	<b>4,606</b>	<b>4,496</b>	<b>170,605</b>	<b>-1,025</b>	<b>110,123</b>	<b>158,525</b>	<b>445</b>	<b>399,595</b>	<b>303,000</b>	<b>8,176</b>	<b>69,582</b>	<b>74,476</b>	<b>36</b>	<b>21,165</b>	<b>32,309</b>	<b>19,916</b>	<b>26,091</b>	<b>916</b>	<b>16,844</b>	<b>1,036,249</b>	<b>452,720</b>
<b>NET INCOME</b>	<b>-204</b>	<b>18,367</b>	<b>-72</b>	<b>2,376</b>	<b>2,444</b>	<b>9,733</b>	<b>-45,683</b>	<b>1,025</b>	<b>-110,123</b>	<b>-16,233</b>	<b>-445</b>	<b>-147,947</b>	<b>-2,769</b>	<b>-8,176</b>	<b>15,713</b>	<b>32,039</b>	<b>-36</b>	<b>4,103</b>	<b>-342</b>	<b>5,315</b>	<b>-130</b>	<b>3,949</b>	<b>-51</b>	<b>-265,893</b>	<b>28,747</b>

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