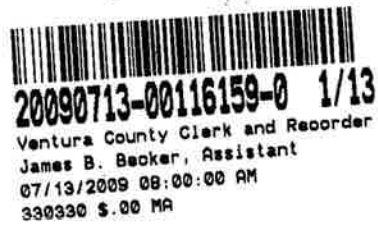


STEWART TITLE

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Simi Valley
Department of Environmental Services
2929 Tapo Canyon Road
Simi Valley, CA 93063



[Space above for recorder's use.]

The undersigned declares that this document is recorded for the benefit of the City of Simi Valley and therefore is exempt from the payment of a recording fee pursuant to Government Code Section 6103 and 27383.

APN: 644-0-220-115

320318710

RESALE AND REFINANCE RESTRICTIONS, OWNER OCCUPANCY
REQUIREMENT AND OPTION TO PURCHASE (the "Restrictive Covenants")

SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY

AFFORDABLE HOUSING PROGRAM

These Restrictive Covenants are entered into by and among the City of Simi Valley, a municipal corporation (the "City"), the Simi Valley Community Development Agency, a public agency (the "Agency"), and Stearns LLC, (the "Developer").

RECITALS

WHEREAS, City/Agency have developed an affordable housing program to provide housing opportunities to Low-Income homebuyers at prices which are maintained at a level below those prevailing in the market; and

WHEREAS, the intent of City/Agency is to preserve and provide for the affordability of homes for Very Low-, Low-, and Moderate Income households for at least 50 years from the initial sale of each of the Affordable Housing Units (AHUs).

NOW, THEREFORE, City/Agency and Developer hereby declare and restrict the Property as follows:

1. DEFINITIONS. The following defined terms have the following meanings:

(a) "Affordable Housing Unit" ("AHU") shall mean the unit described in Exhibit 1 hereto, which constitutes one of up to 28 units within the 36-unit subdivision, which are reserved for purchase exclusively by eligible Low-Income Senior Households.

(b) "Appraiser" shall mean an appraiser who is a member of the American Institute of Real Estate Appraisers or a member of the Society of Real Estate Appraisers (or in case such professional organizations cease to exist, the most nearly equivalent successor designations).

(c) "Area Median Income" ("AMI") shall mean the median yearly income adjusted by household size in Ventura County, California as determined from time to time by: (1) The United States Department of Housing and Urban Development ("HUD"); or (2) The California Department of Housing and Community Development ("HCD"); or (3) The Agency in the event HUD or HCD ceases publication or fails to publish such amounts for a period of 18 months.

(d) "Base Price" shall mean the Purchase Price paid for the Property by the Buyer.

(e) "Capital Improvements" shall mean substantial structural or permanent fixed improvements made since Owner's acquisition of the Property, which cannot be removed without substantial damage to the Property, or substantial or total loss of value of said improvements.

(f) "Eligible Buyer" shall mean a buyer who meets the following qualifications: (a) is a senior 55 years of age or older; (b) the combined gross income for all buyer's household members does not exceed the Low-Income Limit for Ventura County, as published by the U. S. Department of Housing and Urban Development; (c) can provide a minimum three percent of the Purchase Price as down payment toward the purchase of the AHU; and (d) has been approved by the CITY/AGENCY to purchase the AHU.

(g) "Gross Household Income" shall mean the total income earned by all adult members of the household who will live in the AHU as their Principal Place of Residence,

which shall be determined in accordance with the provisions of Title 25, California Code of Regulations, Paragraph 6914.

(h) "Household Size" shall mean the total number of people residing in the Property as their Principal Place of Residence.

(i) "Index" shall mean the AMI Limit for Ventura County for a family of four persons, as determined from time to time by:

(1) The United States Department of Housing and Urban Development ("HUD"); or

(2) The California Department of Housing and Community Development ("HCD"); or

(3) The City/Agency, in the event HUD or HCD ceases publication or fails to publish such amounts for a period of 18 months.

(j) "Loan Review Committee" shall mean the committee established by the City/Agency for the purpose of reviewing, evaluating and approving applications by proposed AHU buyers.

(k) "Low Income" shall mean the Low-Income Limit figure for Ventura County, California, adjusted by household size, as determined from time to time by:

(1) The United States Department of Housing and Urban Development ("HUD");

(2) The California Department of Housing and Community Development ("HCD"); or

(3) The City/Agency, in the event HUD or HCD ceases publication or fails to publish such amounts for a period of 18 months.

(l) "Principal Place of Residence" shall mean the residence where the Owner resides for at least 10 months out of each calendar year.

(m) "Resale Price" shall mean the price of the AHU as calculated in accordance with Paragraph 12 of these Restrictive Covenants when an Eligible Buyer purchases the unit.

(n) "Resale Restrictions" shall mean the restrictions in these Restrictive Covenants that regulate the sale, transfer and refinance of the Property.

(o) "Senior Household" means a household in which at least one member is 55 years of age or older, and meets all the requirements established in California Civil Code Section 51.3 et seq., as they are adopted and amended from time to time.

2. **NO SUBORDINATION. THE AFFORDABILITY COVENANTS CONTAINED IN THESE RESTRICTIVE COVENANTS SHALL NOT BE SUBORDINATE TO ANY MONETARY LIEN RECORDED AGAINST THE PROPERTY.**

3. TERM OF RESTRICTIVE COVENANTS. These Restrictive Covenants contained herein shall continue in full force and effect for a period of 50 years (the "Restricted Resale Period") after the initial sale of the AHU.

4. OWNER OCCUPIED. Buyer shall certify that he/she intends to occupy the Property as his/her principal place of residence. City/Agency may, in its sole discretion, grant a temporary waiver of this occupancy requirement because of illness, temporary job relocation or sabbatical. Owner shall provide a written request to City/Agency for a temporary waiver of the owner occupancy requirement at least 60 days prior to such temporary rental or lease of the Property.

5. COVENANT TO KEEP PROPERTY DRUG FREE. No persons shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as the term is defined in Title 21 United States Code, Section 812 and California Health and Safety Code Paragraph 11007, including marijuana, heroin, cocaine, and amphetamines, on the Property. If Owner or any person using the Property is convicted, pleads guilty or nolo contendere to a charge of unlawfully manufacturing, distributing, dispensing, possessing or using controlled substances on the Property such use shall be considered a Default and subject to Paragraphs 19 and 21 herein.

6. TRANSFER, REFINANCE OR ENCUMBRANCE. Any Buyer of the Property from Developer, or any subsequent Owner or successors, shall certify his/her acknowledgement of these Restrictive Covenants and all the provisions and restrictions contained herein by executing a document confirming that they have received a copy of these Restrictive Covenants and have met with a City staff member to thoroughly review the document. Owner shall also provide written notification to City/Agency at least five business days prior to submitting an application to refinance or further encumber the property. The notice shall include the name of the lender, the lender's address and telephone number. Owner's failure to comply with the provisions of this Paragraph constitutes a default and may, at City/Agency's election, be deemed a prohibited transfer, refinance or encumbrance of the Property, which thereby provides City/Agency with an option to purchase the property as described below, or any other available remedies.

7. RESTRICTION ON TRANSFER TO ELIGIBLE BUYER. The Property may only be transferred to an Eligible Buyer who meets the following qualifications:

- (a) A combined gross income for all buyers' household members that does not exceed the Low-Income Limit for Ventura County, as defined in Paragraph 1 (I);
- (b) Provides a minimum 3% of the Purchase Price as down payment toward the purchase of the AHU;
- (c) Is a senior 55 years of age or older; and
- (d) Has been approved by the City/Agency Loan Review Committee and City Manager to purchase the AHU.

The Property may not be transferred to a party who does not qualify as an "Eligible Buyer," including without limitation a transfer by law, or as a gift, devise or inheritance to a surviving joint tenant except as modified below. If a party marries a non-qualifying spouse, the property may not be transferred to that non-qualifying spouse at any time in the future. If

that non-qualifying spouse inherits the property, that transfer shall be null and void. Owner or executor of Owner's estate shall provide written notice to City/Agency upon the occurrence of such a transfer. Should any prohibited transfer occur, City/Agency shall have the option to purchase pursuant to Paragraphs 19 and 21.

8. NOTICE TO TRANSFER. In the event the Property is proposed to be transferred or vacated by the Owner, the Owner shall notify City/Agency of such intent at least 30 days prior to offering the Property for sale or transfer (the "Owner's Notice of Intent to Sell"). The Owner shall send such notice by Certified or Registered Mail Return Receipt Requested, to the Director of Environmental Services, City of Simi Valley/Simi Valley Community Development Agency, 2929 Tapo Canyon Road, Simi Valley, California 93063, or to the City's successor address. Following receipt of such notice, City/Agency may exercise its options pursuant to Paragraphs 10 and 21.

9. MAINTENANCE AND INSPECTION OF PROPERTY. Owner shall maintain the Property in good condition and repair throughout Owner's period of ownership of the Property. In addition, upon City/Agency's receipt of notice of Owner's intent to transfer the Property, pursuant to Paragraph 8 above, City/Agency shall be given the right to enter and inspect the Property to determine whether any violations of applicable building, plumbing, electric, fire, housing or other applicable codes exist and whether the Property has been maintained in compliance with the U. S. Department of Housing and Urban Development Housing Quality Standards (HUD Standards). City/Agency shall notify Owner with regard to any noted code violations or any non-compliance with the HUD Standards (collectively, the "Deficiencies"). Owner shall cure any Deficiencies in a manner acceptable to the City/Agency within 30 days after receiving the property inspection report. Should Owner fail to cure all the Deficiencies prior to the scheduled date of close of escrow, the escrow may not close or, at the option of City/Agency, escrow may be closed, title passed and money paid to the Buyer subject to the reduction in sales price specified in Paragraph 12.

10. CITY/AGENCY'S OPTION TO DESIGNATE ELIGIBLE BUYER. City/Agency shall have the option to purchase the property or to assign the Purchase Option to an Eligible Buyer to purchase the Property on the terms and in the manner set forth hereunder in the event Owner wishes to transfer or vacate the Property. Within 30 days after receipt by City/Agency of Owner's Notice, as identified in Paragraph 8 above, City/Agency shall have the right to inspect the Property as described in Paragraph 9 above, and within sixty (60) days will notify Owner regarding whether or not City/Agency intends to exercise its option to designate an Eligible Buyer for the Property or purchase the Property without designating an Eligible Buyer. The notification to Owner regarding the option exercise shall be sent by Certified or Registered Mail, Return Receipt Requested. If City/Agency exercises this option, escrow shall be opened within 90 days following such notification to Owner.

11. TRANSFER TO ELIGIBLE BUYER. In the event City/Agency does not exercise its option to purchase the Property, or designate an Eligible Buyer to exercise such option, pursuant to Paragraph 10 above, the Property must be transferred to an Eligible Buyer at a price not to exceed the Maximum Sale Price as determined by Paragraph 12 below.

12. DETERMINATION OF MAXIMUM SALES PRICE. Owner must transfer the Property at a price not to exceed the maximum Resale Price of the Property, which shall be calculated by City/Agency in the following manner:

The Base Price paid by Owner plus:

(a) an amount calculated by multiplying the percentage increase in the Index from the date of purchase of the Property by Owner to the most recent Index as of the date of receipt by City/Agency of Owner's Notice of Intent to Sell, multiplied by the Base Price;

(b) the allowable Cost of Improvements, which shall mean the aggregate cost of Capital Improvements that does not exceed an average of \$1,000 per year, cumulatively, with any depreciation from the date of completion of the improvement. In no event may the aggregate Cost of Improvements, regardless of change in ownership, exceed \$45,000 over the term of these Restrictive Covenants. In addition, the Cost of Improvements shall not exceed \$10,000 in any 10-year period, regardless of ownership changes. Capital improvements shall (i) have been made and installed by or under the direction of Owner; and (ii) have been made with all required approvals, including, but not limited to, homeowner association and governmental approvals. The value of such improvements shall be the appraised market value of the improvements when considered as additions or fixtures to the Property that is the amount by which such improvements enhance the market value of the Property at the time of sale or valuation;

(c) two percent (2%) of the Resale Price to cover Buyer's closing costs;

(d) a City/Agency Resale Fee, which shall be payable to City/Agency upon the transfer to an Eligible Buyer, from the proceeds of escrow for the administration of these Restrictive Covenants, in the amount of 0.375% of the Property's Base Price.

The sales price determined through the use of the method described above shall be adjusted by decreasing the price by an amount to compensate for curing the Deficiencies as defined in Paragraph 9 and Enforcement Costs, as defined in Paragraph 19.

13. NO WINDFALL PROFITS. Upon the first sale or transfer of the Property following the expiration of these Restrictive Covenants, which expiration would permit the Property to be sold at market rate, or any Ineligible Transfer of the Property contrary to the provisions herein, the proceeds of any such sale or Transfer in excess of the greater of the amount for which the Property was purchased by Owner, or the amount for which the Property would be sold to an Eligible Buyer in accordance with Paragraph 12, are to be paid to City/Agency to be used for the provision of affordable housing. The escrow company shall pay such excess profits to City/Agency before or concurrent with the payment of any proceeds to Owner.

The purchase price of the first sale or transfer of the Property after the expiration of the 50-year Restricted Resale Period shall be established at the fair market value of the Property. Upon a proposed sale of the Property after the expiration of the 50-year Restricted Resale Period, City/Agency may elect to appoint a certified, independent appraiser to conduct an appraisal of the Property, at City/Agency's expense, to assist City/Agency in determining if

the sales price is at or near the fair market value of the Property at such time. If the sales price is determined by the appraisal to be three percent or more below the fair market value of the Property as established in said appraisal, then the sales price for purposes of determining the excess profits to be paid by Buyer to City/Agency shall be the fair market value of the Property established in such appraisal.

14. EXHIBITS AND RECORDING. Exhibits to these Restrictive Covenants are hereby incorporated by reference. All recordings required by these Restrictive Covenants shall be in the official records where deeds are recorded in the county where the land described on Exhibit 1 is located.

15. BINDING ON SUCCESSOR AND ASSIGNS. These Restrictive Covenants shall bind, and the benefit hereof shall inure to each Owner, each Eligible Buyer, and to their respective heirs, legal representatives, executors, successors in interest or assigns, and to City/Agency and their successors.

16. THESE RESTRICTIVE COVENANTS RUN WITH THE LAND. These Restrictive Covenants shall run with the land as to the entire Project and to each specific unit of the Project.

17. AGREEMENT TO DISCLOSE THESE RESTRICTIVE COVENANTS AS PART OF SUBSEQUENT SALE/CONVEYANCE. Owner shall be obligated to incorporate in all advertising for the sale of the property a disclosure of these Restrictive Covenants to a future Buyer or Eligible Buyer, prior to any subsequent sale, transfer or conveyance of the Property. Owner's failure to disclose these Restrictive Covenants to a potential buyer shall be a default of these Restrictive Covenants and subject to the provisions of Paragraph 19 below. In the event Owner attempts to sell the property without disclosing these Restrictive Covenants, City/Agency may take legal action to stop the sale, or declare a sale void, and may also seek Owner's payment to City/Agency of any costs, monetary damages and reimbursement of legal fees.

18. DISTRIBUTION OF INSURANCE AND CONDEMNATION PROCEEDS. In the event that the Property and/or improvements on the Property are condemned or destroyed and insurance proceeds are distributed to Owner instead of being used to rebuild, any surplus of proceeds so distributed after payment of encumbrances of said Property, including the primary lender deed of trust and Agency, shall be distributed as follows:

That portion of the surplus up to but not to exceed the net amount that Owner would have received under the provisions set forth in Paragraph 12, had Agency exercised its Purchase Option on the date of the destruction, condemnation valuation date, or liquidation, shall be distributed to Owner, and the balance of such surplus, if any, shall be distributed to Agency.

19. DEFAULTS AND REMEDIES. Upon a violation of any of the provisions of these Restrictive Covenants, City/Agency will give written notice to the Owner by Certified Mail, Return Receipt Requested, specifying the nature of the violation. If the violation is not corrected to the satisfaction of City/Agency within a reasonable period of time, not longer than thirty (30) days after the date the notice is mailed, or within such further time City/Agency determines necessary to correct the violation, City/Agency may declare a default under these

Restrictive Covenants. Upon the declaration of a default, City/Agency may apply to a court of competent jurisdiction for specific performance of the obligations of these Restrictive Covenants, for an injunction prohibiting a proposed transfer in violation of these Restrictive Covenants, for a declaration that a transfer in violation of the provisions of these Restrictive Covenants is void, or for any such other relief at law or in equity as may be appropriate. In the event of default by Owner, and/or by Buyer in those circumstances where a transfer has occurred in violation of these Restrictive Covenants, Owner and/or Eligible Buyer shall hold City/Agency, and then Owner and their respective elected officials, officers, employees or other agents harmless, indemnify and reimburse the expenses, legal fees and costs (Enforcement Costs) for any action City/Agency takes in enforcing the provisions of these Restrictive Covenants. Such costs will be deducted from any profits to which Owner is entitled pursuant to Paragraph 12 of these Restrictive Covenants.

20. ADDITIONAL REMEDIES. In the event of a Default, City/Agency may pursue the remedy thereof by any and all means of enforcement, both in equity and at law, as provided by the laws of the State of California, including, but not limited to, injunctive relief, mandamus, and specific performance. In the event that Owner rents or leases the Property in violation of these Restrictive Covenants, City/Agency shall be entitled, in addition to any other remedies to which City/Agency is entitled, to any amounts of rent paid to Owner in excess of affordable rent.

21. CITY/AGENCY'S OPTION TO PURCHASE UPON DEFAULT. In addition to the remedies provided City/Agency in Paragraph 19 above, City/Agency has the option to purchase the Property effective upon the declaration of a default under these Restrictive Covenants. City/Agency shall have 90 days after a default is declared to notify Owner or Executor of its decision to exercise its option to purchase.

22. DEFAULT AND FORECLOSURE. Agency will record on its behalf a Request for Notice of Default with respect to the Agency Deed of Trust and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Property. Any Notice of Default given pursuant to Civil Code Paragraph 2924b, or as amended, shall constitute an Owner Notice of Intent to Sell under Paragraph 8 of these Restrictive Covenants, and City/Agency or its assignee may exercise its Purchase Option pursuant to the provisions of these Restrictive Covenants, provided however, that, notwithstanding any language contained in these Restrictive Covenants to the contrary, with regard to the rights of the lien holder, City/Agency or its assignee must complete such purchase no later than the end of the period established by California Civil Code Paragraph 2924c for reinstatement of a monetary default under the deed of trust or mortgage.

In the event of default and foreclosure, City/Agency or its assignee shall have the same rights as Owner to cure defaults and redeem the Property prior to foreclosure sale. Such redemption shall be subject to the same fees, charges and penalties that would otherwise be assessed against Owner. Nothing herein shall be construed as creating any obligation on the part of City/Agency to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

In the event that no Request for Notice is recorded, City/Agency's Purchase Option shall run from the date the Notice of Default is given to Owner. In the event City/Agency elects not to exercise its option to purchase upon default, and a foreclosure sale is consummated, any surplus proceeds to which Owner may be entitled following foreclosure under California state law shall be paid as follows: After any required payment of encumbrances (including the Agency Promissory Note), that portion of surplus, if any, up to but not exceeding the net amount that Owner would have received after any required payment of encumbrances under the formula set forth in Paragraph 12 had City/Agency or its assignee exercised its right to purchase the Property on the date of the foreclosure sale, shall be paid to Owner on the date of the foreclosure sale; the balance of surplus, if any, shall be paid to Agency.

23. NON-LIABILITY OF CITY/AGENCY. In no event shall City/Agency become in any way liable or obligated to any Owner by reason of these Restrictive Covenants, or City/Agency's option to purchase as provided herein, nor shall City/Agency be obligated or liable in any way because of City/Agency's failure to exercise such option to purchase.

24. NOTICES. All notices required herein shall be in writing and shall be deemed sufficient if dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed to City/Agency as follows:

City of Simi Valley
Simi Valley Community Development Agency
2929 Tapo Canyon Road
Simi Valley, CA 93063
Attn.: Director of Environmental Services

25. CAPTION AND PRONOUNS. The captions and headings of the various Paragraphs of these Restrictive Covenants are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and masculine, feminine and neuter shall be freely interchangeable.

26. INTERPRETATION OF THESE RESTRICTIVE COVENANTS. The terms of these Restrictive Covenants shall be interpreted to encourage to the extent possible that the Purchase Price of and mortgage payments for the Property remain affordable to Low-Income households for a 50-year term. The terms shall also be interpreted so as to discourage windfall profits to any Buyer.

AGENCY

City of Simi Valley/
Simi Valley Community Development Agency

By: Mike Sedell 7/9/09
Mike Sedell / Date
City Manager/Agency Executive Director

DEVELOPER

Stearns LLC

By: Robert Leff 7-8-09
Robert Leff / Date
Title: Manager

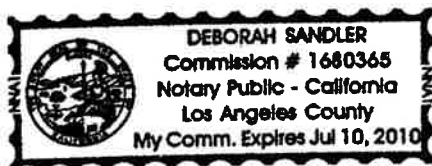
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of LOS ANGELES

On JULY 8, 2009 before me, DEBORAH SANDLER, NOTARY PUBLIC,
Date Here Insert Name and Title of the Officer
personally appeared ROBERT LOFF
Name(s) of Signer(s)

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.



Place Notary Seal Above

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

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Ventura

On July 9 2009
Date

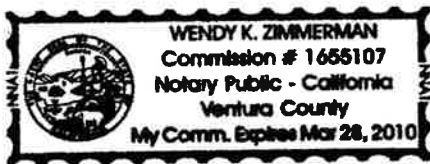
before me,

Wendy K. Zimmerman Notary Public
Here Insert Name and Title of the Officer

personally appeared

Mike Sedell

Name(s) of Signer(s)



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

[Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Restrictive Covenants

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
- ☐ Corporate Officer — Title(s): _____
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

EXHIBIT 1

LEGAL DESCRIPTION

APN: 644-0-220-115

THIS LAND IS SUBJECT TO CERTAIN RESALE RESTRICTIONS.

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF VENTURA, DESCRIBED AS FOLLOWS:

A CONDOMINIUM COMPRISED OF:

PARCEL 1:

AN UNDIVIDED 1/18TH INTEREST IN AND TO THE PHASE 1 COMMON AREA OF LOT 1 OF TRACT NO. 5391, IN THE CITY OF SIMI VALLEY, COUNTY OF VENTURA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 156 PAGES 28 THROUGH 35 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 1 THROUGH 18, INCLUSIVE, AS SHOWN AND DEFINED ON THE PHASE 1 CONDOMINIUM PLAN RECORDED NOVEMBER 14, 2006 AS INSTRUMENT NO. 20061114-00240638, OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 2:

UNIT 10 AS SHOWN AND DEFINED UPON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE.

PARCEL 3:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO PARCELS 1 AND 2 ABOVE, FOR INGRESS, EGRESS, USE AND ENJOYMENT OVER THE ASSOCIATION LAND, AS SHOWN AND DEFINED UPON THE CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE.

PASEO DE LAS FLORES AFFORDABLE HOUSING UNITS

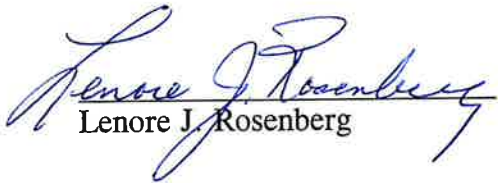
AFFIDAVIT

We certify that we have received a copy of the Restrictive Covenants, that we understand the restrictions imposed on the property and the covenants regarding the property located at the Paseo De Las Flores condominium project in Simi Valley. We also certify that we have attended a City held meeting in which the above-referenced documents were summarized and all our questions regarding those documents were satisfactorily answered.

We understand that the purpose of this meeting is to review the Restrictive Covenants to be recorded against the affordable units in the Paseo De Las Flores project and that it does not in any way confirm approval of our loan application to the City, which will be required prior to purchasing an affordable unit.


Michael A. Rosenberg

4/21/09
Date


Lenore J. Rosenberg

4/21/09
Date