

EXHIBIT D

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Sonoma
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Director of General Services

No fee for recording pursuant to
Government Code Section 27383

(Space above for Recorder's Use)

AFFORDABLE HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

(Restrictive Covenant Required by the Surplus Lands Act, Government Code Section 54233)

This Affordable Housing Agreement and Declaration of Restrictive Covenants (this "Agreement") is made and entered into this _____ day of _____ 202__ (the "Effective Date"), by and between **County of Sonoma**, a political subdivision of the State of California ("County"), and _____, a California _____ ("Buyer") with reference to the following facts:

RECITALS

- A.** County is the owner of numerous parcels containing approximately 71 acres located on Chanate Road, in the City of Santa Rosa, comprised of land, buildings, infrastructure and other improvements located on or around 3313, 3322, 3323, 3325, 3333 and 3410 Chanate Road, in Santa Rosa, California (APN No's: 173-130-038; 180-090-001; 180-090-002; 180-090-003; 180-090-004; 180-090-005; 180-090-006; 180-090-008; 180-090-009; 180-090-010; 180-100-001; and 180-100-029 (collectively the "Property"), and more particularly described by the legal description that is attached hereto and incorporated herein by this reference as **Exhibit A**, which together with all rights, privileges, easements and appurtenances thereto, including, without limitation, all mineral and water rights, all permanent improvements and County's personal property, fixtures, furniture and/or furnishings located thereon at close of escrow, are hereinafter collectively referred to as the "Property." The Property is located in the City of Santa Rosa, and all entitlements for use will be granted by the City of Santa Rosa.
- B.** The Property was previously used by County for public hospital, health and other County uses for more than eighty years. The Property was last used as a public hospital in 2014 and has sat mostly vacant since that time.

- C. The County on prior occasions issued notices of availability seeking interest and/or proposals to purchase the Property from the agencies or entities specified by the Surplus Lands Act (California Government Code section 54220 *et seq.*) (The “Act”) to whom notice was given of the Board’s decision to declare the Property as surplus.
- D. On August 11, 2015, the Board of Supervisors (“Board”) directed staff to develop a Request for Proposals (“RFP”) to solicit a master developer to work with County to plan for repurposing the Property. On October 28, 2015, the Board declared the Property as surplus and authorized the disposal of the Property pursuant to the Surplus Lands Act (Government Code section 54222 *et seq.*).
- E. On February 2, 2016, the Board authorized staff to issue an RFP to identify a developer to work with County and the City of Santa Rosa for the development of the Property and thereafter entered into a development and disposition agreement with a qualified party which agreement was thereafter rescinded after a court decision related to a CEQA challenge.
- F. On December 11, 2018, the Board again declared the Property surplus and authorized the disposal of the Property pursuant to the Act.
- G. In further compliance with the Act, County issued a Request for Proposals (RFP) in February 2019 and conducted extensive marketing to ensure that all entities specifically identified under the Act received notice.
- H. In May 2019, County received three offers to said RFP which were evaluated by staff, and thereafter on July 9, 2019, the Board provided direction to County's real property negotiators to reach terms of the sale with the selected buyer CalCHA, who subsequently backed out of negotiations.
- I. On August 20, 2019, staff recommended to the Board that County negotiate with one of the remaining proposers, EAH, Inc., a nonprofit housing provider, based on multiple factors including price, public benefit and level of affordability, and staff pursued said negotiations until February 3, 2020, at which time EAH withdrew from the process as the inclusionary affordable member of the development team and its partners terminated negotiations.
- J. On April 6, 2020, County staff submitted a letter to State Department of Housing and Community Development, Division of Housing Policy Development (“HCD”) in accordance with the requirements of the Act, providing detail on County’s efforts since 2015 to surplus the Property through the surplus procedures, stating County’s belief that it had fully complied with the requirements of the Act, and requesting authority to proceed with an effort to sell the

Property to private buyer(s).

- K.** On May 14, 2020, HCD confirmed in writing that it has reviewed and considered the documentation submitted by County regarding County efforts to surplus the Property commencing in 2014, a second time in 2017 and most recently in 2019, and that based on that documentation and pursuant to Government Code section 54230.5(c), County could proceed with the private sale of the Property.
- L.** At its August 31, 2021 meeting, the Board directed the General Services Department to take the following actions to complete the sale of the Property: (a) dispose of the Property pursuant to a private market sale conducted through an on line auction, with sealed bids to be delivered by November 9, 2021 and oral bidding to be conducted immediately thereafter; and (b) staff to return to the Board on November 16, 2021 with a recommendation on acceptance of the highest offer after conclusion of the oral bidding for consideration and approval by the Board and execution of a purchase and sale agreement with said selected buyer, or to reject all bids.
- M.** County retained previously qualified brokers, CBRE, Inc. and North Bay Property Advisors (collectively, “Brokers”), to market the Property for private sale. At its August 31, 2021 meeting the Board authorizing the commencement of marketing on or about September 7, 2021 through an online auction (“Auction”) platform hosted by Ten-X <https://www.ten-x.com/>. The Brokers will conduct tours of the Property for interested buyers. The Auction site described the purchase opportunity and the required terms of the sale and provided photos, past reports and investigations, title report and additional information on the Property to potentially interested buyers, and established the deadline for submittal of a sealed bids to be not later than 9:00 am PST on November 9, 2021; and (ii) County also sent out a notice of the availability of the Property for purchase on the private market through its purchasing portal to interested registered parties.
- N.** At its meeting on August 31, 2021, the Board directed the publication of a notice which confirmed County’s Resolution of Intent passed by not less than a two-thirds vote of all of its members, declaring County’s intention to sell the Property consistent with Resolution 2021-_____, which Resolution confirmed the purchase terms and process for receiving, examining and negotiating responsive sealed bid offers and conducting oral bidding, at which time the Board delegated to the General Services Department Director (“Director”) the authority to establish to review all offers received by the Auction deadline and to further negotiate with any and all offerors, in cooperation with the Brokers, to obtain the best overall value for County based on all terms.
- O.** Thereafter, the County Staff and the Brokers conducted negotiations with the offerors submitting responsive, highest and best offers and obtain said offerors’ best and final offer and provide said final offers with its recommendation for acceptance to be presented by the Director

to the Chair of the Board of Supervisors which was considered at the regular Board of Supervisors meeting held on November 16, 2021.

P. On November 16, 2021, pursuant to Government Code section 25535, the Board adopted Resolution No. _____, selecting Buyer as the purchaser of the Property after completion of process pursuant to Government Code Section 25539. Pursuant to said Resolution No. _____, the Board directed that County convey the Property subject to an affordable housing covenant which will require Buyer to comply with a restrictive covenant (the "Covenant") to be recorded by County against the Property prior to close of escrow, to require that, if the Property is subsequently developed for residential purposes, Buyer construct at least fifteen percent (15%) of the total number of any and all dwelling units (the "Affordable Units"), to either be sold at affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or rented at affordable rent, as defined in Section 50053 of the Health and Safety Code, to lower income households, as defined in Section 50079.5 of the Health and Safety Code, or very low income households, as defined in Section 50105 of the Health and Safety Code.

Q. This Agreement sets forth the Covenant. The Parties acknowledge that they are executing this Agreement at a time when there is no approved project, and the scope and character of any future project is unknown to the Parties. It is acknowledged that the City of Santa Rosa is the entitling agency for any and all development plans of Buyer, and that County shall not have any authority to approve the scope or character of any such plans. The Parties anticipate that Buyer and the City may execute and record one or more regulatory agreement(s) specifically identifying the Affordable Units to be developed and constructed on portions of the Property and setting forth the covenants applicable thereto ("Regulatory Agreement"), which may describe with sufficient particularity the terms of the construction and restricted uses of the Affordable Units such that the Regulatory Agreement, when executed and recorded, satisfies the requirements of Government Code section 54233, and the purpose of this Agreement. It is anticipated that once the Regulatory Agreement(s) between City and Buyer is/are recorded and all the Affordable Units are built, if such agreements satisfy the conditions of Government Code section 54233 that this Agreement and the Covenant are intended to satisfy, County will record an instrument confirming that the terms of this Agreement have been fulfilled and County shall reconvey and release this Agreement, except to that portion of the Property where the Affordable Units are built and except to the extent this Agreement is required to comply with Government Code section 54233.

NOW, THEREFORE, in consideration of the promises set forth herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows. The foregoing recitals are hereby incorporated by reference and made part of this Agreement.

AGREEMENT

ARTICLE 1 DEFINITIONS AND EXHIBITS

Section 1.1 Definitions. In addition to those terms defined in the Recitals, the terms listed here have the following meanings in this Agreement:

(a) "Adjusted for family size appropriate to the unit" shall be determined consistent with Section 50052.5(h) of the California Health and Safety Code, as amended, or any successor statute thereto, subject to the application of federal rules associated with Project financing sources.

(b) "Affordable Ownership Price" means a sales price that includes a reasonable down payment and results in a Monthly Housing Payment during the first calendar year of a household's occupancy that (i) for Low Income Households, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of seventy percent (70%) of Area Median Income, as adjusted for Assumed Household Size; and (ii) for Very Low Income Households, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of Area Median Income, as adjusted for Assumed Household Size, as calculated consistent with Health & Safety Code Section 50052.5, as amended, or any successor statute thereto.

(c) "Affordable Rent" means monthly Rent that: (i) for Low Income Households, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of sixty percent (60%) of Area Median Income, as adjusted for Assumed Household Size; and (ii) for Very Low Income Households, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of Area Median Income, as adjusted for Assumed Household Size, as calculated consistent with Health & Safety Code Section 50053, as amended, or any successor statute thereto. If a tenant receives Section 8 housing assistance payments, the "Affordable Rent" requirement shall apply to the portion of such amount paid by the tenant.

(d) "Area Median Income" means the median income applicable to Sonoma County, adjusted for actual household size, as published annually by the California Department of Housing and Community Development in Title 25, Section 6932 of the California Code of Regulations (or successor provision) pursuant to California Health and Safety Code Section 50093(c).

(e) "Assumed Household Size" means one person in a studio dwelling unit, two persons in a one bedroom dwelling unit, three persons in a two bedroom dwelling unit, and one additional person for each additional bedroom thereafter.

(f) "Eligible Household" means a household that is a Low Income Household or a Very Low Income Household.

(g) "Low Income Household" means a household whose annual household income does not exceed the low income limits applicable to Sonoma County as published annually pursuant to Title 25, Section 6932, of the California Code of Regulations (or its successor provision) by the California Department of Housing and Community Development.

(h) "Monthly Housing Payment" includes monthly payment of mortgage interest and principal, property taxes, mortgage insurance, homeowner's insurance, homeowners' association dues, assessments paid by homeowners, and a reasonable allowance for utilities (excluding telephone service and cable television).

(i) “Rent” means the total of monthly payments required to be paid by a tenant for the following: use and occupancy of an Affordable Unit and associated facilities, including parking; any separately charged fees or service charges assessed by Buyer and required to be paid by the tenant other than security deposits; utilities paid by the tenant, if any, which may include garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, excluding telephone service or cable television; and any other interest, taxes, fees or charges paid by the tenant in connection with the use of the Affordable Unit or associated facilities and assessed by a public or private entity other than Buyer.

(j) “Term” is the period of time: (1) beginning on the date that a permanent certificate of occupancy is issued for all of the affordable rental housing units and ending fifty-five (55) years following that date; and (2) beginning on the date that a permanent certificate of occupancy is issued for all affordable ownership housing units and ending forty-five (45) years following that date, in accordance with Government Code Section 54233.5.

(k) “Very Low Income Household” means a household whose annual household income does not exceed the very low income limits applicable to Sonoma County as published annually pursuant to Title 25, Section 6932, of the California Code of Regulations (or its successor provision) by the California Department of Housing and Community Development.

Section 1.2 Exhibits. The following Exhibit is attached and incorporated into this Agreement:

Exhibit A Legal Description of the Property

ARTICLE 2 AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Affordable Housing Requirements.

(a) Affordable Units. At least fifteen percent (15%) of the total dwelling units to be developed on the Property shall be constructed on the Property and shall be Affordable Units that shall be sold at an Affordable Ownership Price to Eligible Households, or rented at Affordable Rent to Eligible Households. The Affordable Units shall be used only as residences for the Term of this Agreement.

(b) Satisfaction of Affordable Housing Requirements. The affordable housing requirements contained in this Agreement shall be satisfied with respect to the Property: (i) when Buyer constructs, or causes to be constructed, and completes the construction of the Affordable Units meeting the requirements of this Agreement; and (ii) for the Term of this Agreement, Buyer sells or rents all Affordable Units to Eligible Households at an Affordable Ownership Price or Affordable Rent, as applicable, in compliance Section 2.1(a) above.

(c) Recordation of Agreement. Concurrently with close of escrow on sale of the Property to Buyer, this Agreement shall be duly executed by County and Buyer and recorded against the Property in the Official Records of the County of Sonoma, consistent with the requirements of Section 54233 of the Act.

Section 2.2 Term of Agreement; Release of Property from Agreement.

(a) Term of Agreement. The provisions of this Agreement shall apply to the Property for the entire Term unless released as described in subsection (c) below. This Agreement shall bind any successor, heir, or assign of Buyer, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by County. County intends to sell the Property to Buyer on the condition, and in consideration of, this provision, and would not do so otherwise.

(b) Covenant Running with the Land. The covenants and conditions herein contained shall apply to and bind, during their respective periods of fee ownership, Buyer and its heirs, executors, administrators, successors, transferees, and assignees having or acquiring any right, title, or interest in or to any part of the Property, whether by operation of law or in any manner whatsoever, and shall run with and burden the Property for the Term of this Agreement until terminated in accordance with this Section. All of the provisions of this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to applicable laws, including without limitation Section 1468 of the California Civil Code. Each covenant to do, or to refrain from doing, some act on the Property hereunder: (i) is for the benefit of the Property and is a burden on the Property; (ii) runs with the Property; and (iii) is binding upon each party and each successive owner during its ownership of the Property or any portion thereof, and shall be a benefit to and a burden upon each party and the Property or any portion thereof, hereunder and each other person or entity succeeding in an interest to the Property or any portion thereof.

(c) Release of Agreement.

(i) Upon completion of all of the Affordable Units and the sale or rental of all of the Affordable Units at Affordable Ownership Price or Affordable Rent, as applicable, to Eligible Households for the Term of this Agreement, County shall release and discharge all portions of the Property except the parcels occupied by the Affordable Units pursuant to the Regulatory Agreement, from the burdens of this Agreement within thirty (30) days following written notice from Buyer, if at the time Buyer is in compliance with all terms of this Agreement.

(ii) Prior to the expiration of the Term, Buyer shall provide all notifications required by Government Code Sections 65863.10 and 65863.11 or successor provisions and any other notification required by any state, federal, or local law.

(iii) Upon the expiration of the Term, County shall execute and record a release of all portions of the Property from the burdens of this Agreement within thirty (30) days following written notice from Buyer, if at the time Buyer is in compliance with all terms of this Agreement, including without limitation, Buyer's compliance with subparagraph (c) (ii) of this Section.

(iv) It is acknowledged that the City of Santa Rosa is the entitling agency for any and all development plans of Buyer, and that County shall not have any authority to

approve the scope or character of any such plans. Therefore, the Parties are uncertain as to the total number of residential units, if any, that may be constructed upon the Property, and the terms of any Regulatory Agreements that may describe with more particularity than this Agreement, the construction and use of Affordable Units. If any Regulatory Agreement, when executed and recorded, satisfies the requirements of Government Code section 54233, and the purpose of this Agreement, by requiring the construction and use of sufficient Affordable Units in a manner whereby compliance with such Regulatory Agreement is sufficient to satisfy the terms of this Agreement, then County shall record an instrument confirming that the performance of the Regulatory Agreement satisfies the terms of this Agreement, and reconvey the interest created by this Agreement and release the Property therefrom. Any such release and reconveyance shall be with respect to the entire Property, except to that portion of the Property where the Affordable Units are built or are to be built, and to the extent necessary to comply with Government Code section 54233. It is the intention of the Parties that for the Term of this Agreement, all restrictions on use and construction of residential units as set forth in Government Code section 54233 shall be in place as required by section 54233, and County shall have no obligation to reconvey any interest to Buyer where such reconveyance would cause a violation of the terms thereof.

Section 2.3 Nondiscrimination. Buyer shall not discriminate against persons or groups of persons on account of race, color, religion, creed, sex, sexual orientation, marital status, familial status, ancestry or national origin in the use, sale, transfer, occupancy, lease, tenure or enjoyment of the Property, nor shall Buyer or any person claiming under or through Buyer establish or permit any such practice or practices of discrimination or segregation with respect to use or occupancy of the Property.

ARTICLE 3 DEFAULT AND REMEDIES

Section 3.1 Default. Failure of Buyer to cure any default in Buyer's obligations under the terms of this Agreement within thirty (30) days after the delivery of a written notice of default from County (or such longer period of time up to an additional one hundred twenty (120) days as may be necessary to remedy such default, provided that Buyer has commenced action during the thirty (30) days necessary to remedy such default, and Buyer is proceeding with reasonable diligence to remedy such default) will constitute a default under this Agreement, and, in addition to any other remedy authorized by law or equity for breach of this Agreement, County may exercise any and all remedies available to it with respect to Buyer's failure to satisfy the terms of this Agreement, including but not limited to:

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

(b) where one or more persons have received financial benefit as a result of a violation of this Agreement, County may assess, and institute legal action to recover as

necessary, a penalty in any amount up to and including the amount of financial benefit received, in addition to recovery of other benefits received;

(c) prosecuting a misdemeanor against any person who has violated the County Code; and

(d) any other remedies authorized by the County Code.

Section 3.2 Enforcement by Third Parties. As required by Section 54233 of the Act, any default in Buyer's obligations under the terms of this Agreement shall also be enforceable against Buyer by any of the entities described in subdivisions (a) through (f), inclusive, of Government Code Section 54222.5.

Section 3.3 Remedies Cumulative. No right, power, or remedy given to County by the terms of this Agreement is intended to be exclusive of any other available right, power, or remedy; but each and every such right, power, or remedy shall be cumulative and shall be in addition to every other right, power, or remedy given under this Agreement or now or hereafter existing at law, in equity, or by statute or ordinance. Neither the failure nor any delay on the part of County to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by County of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 3.4 Attorneys Fees. In any proceeding brought to enforce rights under this Agreement, the prevailing party in such action shall be entitled to an award of reasonable attorneys' fees and costs in addition to any other recovery under this Agreement. Whether or not litigation is instituted, County shall be entitled to receive from any person violating this Agreement, in addition to any remedy otherwise available under this Agreement, the costs of enforcing this Agreement, including without limitation reasonable attorney's fees and costs of County staff.

Section 3.5 Mortgagee Protection. No violation of any provision contained herein shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value upon all or any portion of the Project or the Property, and the purchaser at any trustee's sale or foreclosure sale shall not be liable for any violation of any provision hereof occurring prior to the acquisition of title by such purchaser. Such purchaser shall be bound by and subject to this Agreement from and after such trustee's sale or foreclosure sale. Promptly upon determining that a violation of this Agreement has occurred, County shall give written notice to the holders of record of any mortgages or deeds of trust encumbering the Project or the Property that such violation has occurred.

Section 3.6 Estoppel Certificate. At any time during the term hereof, County, Buyer, or any party owning an interest in the Property may request an estoppel certificate from Buyer or County attesting to such party's compliance with the terms and provisions of this Agreement. A party making a request for an estoppel certificate shall provide Buyer or County, as applicable, with all documentation reasonably necessary for Buyer or County to form an opinion as to compliance or non-compliance with the provisions hereof. After receiving such a request and the necessary

supporting documentation, Buyer or County, as applicable, shall respond, in writing, within fifteen (15) calendar days following the date of receipt and shall either confirm compliance with the terms and provisions of this Agreement or shall state in reasonable detail any alleged failure to comply and the steps necessary to cure such lack of compliance

ARTICLE 4 GENERAL PROVISIONS

Section 4.1 Appointment of Other Entities. At its sole discretion, County may designate any other public agency, for-profit, or non-profit entity to perform County's obligations under this Agreement. County shall notify Buyer of any such designee pursuant to this Section 4.3 of this Agreement.

Section 4.2 Subordination. In no event shall this Agreement be subordinated to any mortgage, deed of trust, or other method of security encumbering Buyer's estate in the Property.

Section 4.3 Notices. All notices required pursuant to this Agreement shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, with a courtesy copy sent concurrently via email, to the Party to receive such notice at the address set forth below:

To County:

County of Sonoma
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attn: Caroline Judy, Director 707.565.8058
Email: Caroline.Judy@sonoma- county.org

With a copy to:

County of Sonoma
Office of the County Counsel
575 Administration Drive, Room 105A
Santa Rosa, CA 95403
Attn: Robert Pittman 707.565.3310
Email: Robert.Pittman@sonoma- county.org

To Buyer:

Attn:
Email:
Copy to:

Further Copy to:

Any party may change the address to which notices are to be sent by notifying the other parties of the new address, in the manner set forth above. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

Section 4.4 Entire Agreement. This Agreement constitutes the entire Agreement between the parties and supersedes any and all prior arrangements and understandings between the parties, and no other agreement, statement, or promise made by the parties which is not contained in this Agreement shall be binding or valid. No modification of this Agreement shall be binding unless reduced to writing and signed by the parties.

Section 4.5 Interpretation. The parties to this Agreement have read and reviewed this Agreement and agree that this Agreement reflects the mutual intentions of the parties and any rule of construction (including, but not limited to, Civil Code Section 1654 as may be amended from time to time) to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretations of this Agreement. The terms of this Agreement shall be interpreted so as to insure to the maximum extent possible that the Affordable Units are used for affordable housing and are occupied by Eligible Households.

Section 4.6 Applicable Law and Venue. The laws of the State of California shall govern this Agreement. Venue for any dispute arising out of this Agreement shall be Sonoma County, California.

Section 4.7 Hold Harmless and Indemnification. Buyer will indemnify and hold harmless (without limit as to amount), with counsel approved by County and its elected officials, officers, employees, and agents in their official capacity (hereinafter collectively referred to as "Indemnitees"), and any of them, from and against all claims, damages, losses, liabilities, actions, causes of action, expenses, and demands whatsoever, including without limitation attorney's fees arising out of the performance of this Agreement (collectively "Claims"), arising out of or relating in any manner as a result of or in connection with Buyer's construction, sale, management, or operation of the Affordable Units, or Buyer's performance or non-performance of any obligation as and when required by this Agreement, caused in whole or part by any negligent act or omission of Buyer, except where caused by the gross negligence or willful misconduct of County, and shall protect and defend Indemnitees, and any of them with respect thereto. The provisions of this Section 4.7 shall survive expiration or other termination of this Agreement or any release of part or all of the Property from the burdens of this Agreement, and the provisions of this Section 4.7 shall remain in full force and effect.

Section 4.8 Waivers. Any waiver by County of any obligation or condition in this Agreement must be in writing. No waiver shall be implied from any delay or failure by County to take action on any breach or default of Buyer or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Buyer to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this

Agreement. Consent by County to any act or omission by Buyer shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for County's written consent to future waivers.

Section 4.9 Title of Parts and Sections. Any titles of the sections or subsections of this Agreement are inserted for convenience only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 4.10 Amendment of Agreement. This Agreement, and any section, subsection, or covenant contained herein, may be amended only upon the written consent of County and Buyer.

Section 4.11 Governmental Standards. In the event any standard established and maintained by any governmental agency which is necessary to give effect to this Agreement ceases to exist, and no comparable replacement is issued, County shall create a replacement standard utilizing the formula and factors previously used to create the discontinued standard.

Section 4.12 Authority. This Agreement has been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Buyer, and all actions required under Buyer's organizational documents and applicable governing law for the authorization, execution, delivery, and performance of this Agreement have been duly taken.

Section 4.13 Survival; No Merger. All of the terms, provisions, representations, warranties and covenants of the parties under this Agreement shall survive the close of escrow of any sale of the Property or the Affordable Units and shall not be merged in any deed transferring the Property or the Affordable Units.

Section 4.14 Further Assurances. The parties shall execute, acknowledge and deliver to the other such other documents and instruments, and take such other actions, as either shall reasonably request as may be necessary to carry out the intent of this Agreement.

Section 4.15 Multiple Originals; Counterpart. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 4.16 Severability. In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is to be held invalid, void or unenforceable by any court of competent jurisdiction, or if any provision of this Agreement is rendered invalid or unenforceable pursuant to any California statute which became effective after the effective date of this Agreement, the remaining portions of this Agreement shall nevertheless remain in full force and effect.

Section 4.17 Time is of the Essence. Time is of the essence in the performance of this Agreement.

Section 4.18 Attorneys' Fees and Costs. If any legal or administrative action is brought to interpret or enforce the terms of this Agreement, the prevailing Party shall be entitled to recover all reasonable attorneys' fees and costs incurred in such action.

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

BUYER:

_____, a

By: _____

Its: _____

COUNTY:

COUNTY OF SONOMA, a political
subdivision of the State of California

By: _____

Its: _____

APPROVED AS TO FORM
FOR COUNTY:

Robert Pittman
County Counsel

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, the undersigned, a notary public for the state, personally appeared _____, proved to me to be the person(s) whose name(s) is/are subscribed to the within instrument, as a witness thereto, on the oath of _____, a credible witness who is known to me and provided a satisfactory identifying document. _____, being by me duly sworn, deposed and said that he/she/they was present and saw/heard _____, the same person(s) described in and whose name(s) is/are subscribed to the within, or attached, instrument in his/her/their authorized capacity(ies) as a party(ies) thereto, execute or acknowledge executing the same, and that said affiant subscribed his/her/their name(s) to the within instrument as a witness at the request of _____.

WITNESS my hand and official seal.

Signature _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, the undersigned, a notary public for the state, personally appeared _____, proved to me to be the person(s) whose name(s) is/are subscribed to the within instrument, as a witness thereto, on the oath of _____, a credible witness who is known to me and provided a satisfactory identifying document. _____, being by me duly sworn, deposed and said that he/she/they was present and saw/heard _____, the same person(s) described in and whose name(s) is/are subscribed to the within, or attached, instrument in his/her/their authorized capacity(ies) as a party(ies) thereto, execute or acknowledge executing the same, and that said affiant subscribed his/her/their name(s) to the within instrument as a witness at the request of _____.

WITNESS my hand and official seal.

Signature _____

Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Chanate Road Medical Complex

3313, 3322, 3323, 3325, 3333 and 3410 Chanate Road

Santa Rosa, California 95404

APNs: 180-090-001; 180-090-002; 180-090-003; 180-090-004; 180-090-005; 180-090-006;

180-090-008; 180-090-009; 180-090-010;

180-100-001; 180-100-029;

173-130-038

[Attach legal description from Fidelity Title Commitment]