

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA
APPROVING STANDARD GENERAL LOAN CONDITIONS

WHEREAS, the Housing Authority desires to adopt a set of general loan conditions to be used in the Affordable Housing Development Assistance Program, as follows:

- A. Execution of an Environmental Indemnity Agreement, designed to protect the Housing Authority and the City of Santa Rosa from hazardous waste and toxic contamination liability upon default in the loan by the property owner and/or the Borrower.
- B. Prior compliance with all lawful and necessary City of Santa Rosa approvals, including zoning and land use requirements for the project proposed. Prior compliance with all applicable local, State and Federal environmental requirements for the project.
- C. Execution of a suitable instrument or of any irrevocable assignment and transfer of all rights of the property owner and/or the borrower upon default in the loan to the engineering, architectural and any other development or project plans and designs related to the project.
- D. If required by senior or other financing parties involved with the project, and if specifically approved by the Housing Authority in the Resolution by which the given loan was approved, the Housing Authority will execute a normal and customary, standard form SUBORDINATION AGREEMENT prepared by a local title company and in a form approved by the Housing Authority's counsel; provided, however, nothing contained in this condition shall be deemed a requirement to consent to subordination; and provided, in any event, it is not the policy of the Housing Authority to subordinate where it has the majority of funds in the project.
- E. If required by senior or other financing parties involved with the project, the Housing Authority will execute a normal and customary estoppel certificate, warranting the accuracy of the current status of Housing Authority financing and the status of existing agreements between the borrower and the Housing Authority.

- F. Title insurance shall be provided the Housing Authority by the borrower.
- G. Where funding is all or partially derived from Federal or State programs, all applicable rules and regulations for that program must be satisfied as conditions to the funding of the loan by the Housing Authority.
- H. Satisfaction of such other terms and conditions of the loan which are presented to the Housing Authority as part of the loan approval process.
- I. The Executive Director or his designated staff person may make administrative modifications to these conditions on a case-by-base basis, so long as the overall protections afforded by these conditions are reasonably addressed in the given case.
- J. Prior to funding, Borrower shall provide such improvement and public liability insurance that shall ensure its loan interest.

NOW, THEREFORE, BE IT RESOLVED by the Housing Authority of the City of Santa Rosa that the above General Loan Conditions are approved.

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this 23rd day of January, 1995.

AYES: Commissioners Denney, Knox, Ingenito, Lowry, Scott and Chairman Evans
NOES: None
ABSENT: Commissioner Ullrich
ABSTAIN: None