



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: December 16, 2020

Department: Legal Counsel Agenda Planning Date: December 10, 2020 Time required: 5 minutes

Audio/Visual aids

Contact: Jane Vetto Phone: x 5691

Department Head Signature:

TITLE Approval of Regulatory Agreement between Marion County and Caritas Acquisitions VII, LLC

Issue, Description & Background On December 2, 2020 the Board of Commissioners conducted a TEFRA hearing and approved the issuance of the revenue bonds to Caritas for the purchase of five mobile home parks in Marion County. During the hearing, Caritas agreed it would not seek a property tax exemption on the five properties. It also agreed to give Marion County the right of first refusal if Caritas ever sells these properties. The Agreement documents these terms.

Financial Impacts: None

Impacts to Department & External Agencies None

Options for Consideration: Approve the Regulatory Agreement between Marion County and Caritas Acquisitions VII, LLC. Do not approve the Regulatory Agreement between Marion County and Caritas Acquisitions VII, LLC

Recommendation: Approve the Regulatory Agreement between Marion County and Caritas Acquisitions VII, LLC

List of attachments: Regulatory Agreement between Marion County and Caritas Acquisitions VII, LLC

Presenter: Jane Vetto

Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)

Copies to: Jeff White

**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

**REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS**

**By and Between**

**COUNTY OF MARION,  
as County,**

**and**

**CARITAS ACQUISITIONS VII, LLC,  
a California nonprofit public benefit corporation,  
as Borrower**

**Dated as of December \_\_, 2020**

**Relating to**

**\$37,185,000  
National Finance Authority  
Revenue Bonds  
(Caritas Oregon Projects)  
Series 2020A**

**\$340,000  
National Finance Authority  
Revenue Bonds  
(Caritas Oregon Projects)  
Series 2020-T**

## REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

**THIS REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS** (as supplemented and amended from time to time, the "**Regulatory Agreement**") is made and entered into as of December \_\_\_\_, 2020, by and between the **COUNTY OF MARION** ("**County**") and **CARITAS ACQUISITIONS VII, LLC**, a California limited liability company (the "**Borrower**"), with respect to the land and related improvements and infrastructure described in Exhibit A attached hereto.

W I T N E S S E T H:

**WHEREAS**, pursuant to New Hampshire Revised Statutes Chapter 331, RSA 162-S (the "**Act**"), the NATIONAL FINANCE AUTHORITY, a component unit of the Business Finance Authority of the State of New Hampshire, a body politic and corporate created and existing under New Hampshire Revised Statutes, Chapter 331, RSA 162-A (the "**Issuer**"), proposes to issue its \$37,185,000 National Finance Authority Revenue Bonds (Caritas Oregon Projects), Series 2020A (the "**Series 2020A Bonds**") and its \$340,000 National Finance Authority Revenue Bonds (Caritas Oregon Projects), Series 2020-T (the "**Series 2020-T Bonds**," and collectively with the Series 2020A Bonds, the "**Bonds**") pursuant to a Trust Indenture, dated as of December 1, 2020 (the "**Indenture**"), by and between the Issuer and Wells Fargo Bank, National Association, as trustee (the "**Trustee**");

**WHEREAS**, the proceeds of the Bonds will be used to fund a loan (the "**Loan**") to the Borrower pursuant to a loan agreement, dated as of December 1, 2020, between the Issuer and the Borrower (as supplemented and amended from time to time, the "**Loan Agreement**"), to provide, in part, financing for the acquisition of: (a) a 37-space mobile home park known as Hubbard Mobile Estates, located at 3125 Rudometkin Drive, Hubbard, OR 97032, on the real property site described in Exhibit A-1 hereto; (b) a 68-space mobile home park known as Sherwood Mobile Manor, located at 3256 Elm Street, Hubbard, OR 97032, on the real property site described in Exhibit A-2 hereto; (c) a 72-space mobile home park known as Chateau Mobile Village, located at 16688 Highway 99E NE, Woodburn, OR 97071, on the real property site described in Exhibit A-3 hereto; (d) a 19-space mobile home park known as Belle Passi Mobile Estates, located at 1065 S Pacific Highway, Woodburn, OR 97071, on the real property site described in Exhibit A-4 hereto; and (e) a 30-space mobile home park known as Lazy Acres Mobile Home Park, located at 1210 Brown Street, Woodburn, OR 97071, on the real property site described in Exhibit A-5 hereto (collectively, the "**Project**");

**WHEREAS**, in order to satisfy certain Borrower restrictions on Borrower's ownership of real property, certain limits on the occupancy of Spaces in the Project need to be established and certain other requirements need to be met;

**NOW, THEREFORE**, in consideration of the County's approval of the issuance of the Bonds by the Issuer and the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Borrower hereby agree as follows:

**Section 1. Definitions and Interpretation.** Unless the context otherwise requires, the capitalized terms used herein shall have the respective meanings assigned to them in the recitals hereto, in this Section 1, or in the Indenture.

**“Adjusted Income”** means income calculated in the manner prescribed pursuant to Section 8 of the United States Housing Act of 1937, or, if said Section 8 is terminated, as prescribed pursuant to said Section 8 immediately prior to its termination or as otherwise required under Section 142 of the Code and the Housing Act.

**“Area Median Gross Income”** means the gross income for the area in which the Project is located as determined under Section 8 (or, if such program is terminated, under such program as in effect immediately before such termination).

**“Borrower”** means CARITAS ACQUISITIONS VII, LLC, a California limited liability company, organized and existing under the laws of the State of California and registered to do business in the State of Oregon, and its successors and assigns.

**“Closing Date”** means the date the Bonds are issued and delivered to the initial purchaser thereof.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“County”** means the County of Marion, Oregon.

**“Housing Law”** means the United States Housing Act of 1937, as amended, or its successor.

**“Issuer”** means the NATIONAL FINANCE AUTHORITY, a component unit of the Business Finance Authority of the State of New Hampshire, a body politic and corporate created and existing under New Hampshire Revised Statutes, Chapter 331, RSA 162-A, and New Hampshire Revised Statutes Chapter 331, RSA 162-S.

**“Loan Agreement”** means the Loan Agreement, dated as of December 1, 2020, by and between the Issuer and the Borrower, as it may be amended from time to time.

**“Manager”** means the property manager for the Project. Birtcher Anderson Realty Management, Inc., a California corporation doing business as Birtcher Anderson Properties (“BAP”) shall be the initial Manager.

**“Project”** means the 37-space mobile home park known as the Hubbard Mobile Estates, 68-space mobile home park known as the Sherwood Mobile Estates, 72-space mobile home park known as the Chateau Mobile Village, 19-space mobile home park known as the Belle Passi Mobile Estates and 30-space mobile home park known as the Lazy Acres Mobile Home Park, each located on the real property site described in Exhibit A hereto, consisting of those facilities, including real property, structures, buildings, fixtures or equipment situated thereon, as it may at any time exist, the acquisition of which facilities is to be financed, in whole or in part, from the proceeds of the sale of the Bonds or the proceeds of any payment by the Borrower pursuant to the Loan Agreement, and any real property, structures, buildings, fixtures or equipment acquired in substitution for, as a renewal or replacement of, or a modification or improvement to, all or any part of the facilities described in the Loan Agreement.

**“Project Costs”, “Cost”, “Costs” or “Costs of the Project”** means with respect to the Project, the costs chargeable to the Project in accordance with generally accepted accounting principles including without limitation, the cost of acquisition, rehabilitation, construction, restoration, repair, alteration, improvement and extension of any building, structure, facility or other improvement; stored materials for construction work in progress; the cost of machinery and equipment; the cost of the real property on which the Project is constructed, rights-in-lands, easements, privileges, agreements franchises, utility extensions, disposal facilities, access roads and site development necessary or useful and convenient for the Project or in connection therewith; financing costs, including, but not limited to, costs of issuance of the Bonds, engineering and inspection costs; fees paid to the developer of the Project; organization, administrative, insurance, legal, operating, letter of credit and other expenses of the Issuer or the Borrower actually incurred prior to and during acquisition, construction or rehabilitation; and all such other expenses as may be necessary or incidental to the financing, acquisition, construction, rehabilitation, or completion of the Project, including, but not limited to, interest expense incurred prior to completion of the Project, insurance premiums payable by the Borrower, taxes and other governmental charges levied on the Project.

**“Qualified Project Period”** means the period commencing on the first day on which at least 10% of the residential units in the Project are first occupied after the Project has been placed in service by the Borrower (or, if later, the date on which the Bonds are issued) and ending on the latest of the following: (i) the date that is 15 years after the date on which at least 50% of the residential units in the Project are first occupied; (ii) the first day on which no tax-exempt private activity bond issued with respect to the Project is outstanding; (iii) the date on which any assistance provided with respect to the Project under Section 8 terminates; and (iv) the date that is 30 years from the date of execution of this Regulatory Agreement. At least 50% of the Spaces are occupied as of the Closing Date.

**“Regulations”** means the Income Tax Regulations of the Department of the Treasury applicable under the Code from time to time.

**“Regulatory Agreement”** means this Regulatory Agreement and Declaration of Restrictive Covenants, as it may be supplemented and amended from time to time.

**“Rental Payments”** means the monthly rental payments paid by the occupant of a Space, excluding any supplemental rental assistance to the occupant from the State, the federal government, or any other public agency, but including any mandatory fees or charges imposed on the occupant by the Borrower as a condition of occupancy of the Space.

**“Resident”** means the occupant of a parcel of land within the Project pursuant to a lease or rental agreement.

**“Section 8”** means Section 8 of the Housing Law.

**“Space”** means a parcel of land within the Project that is or may be leased to a Resident upon which such Resident’s mobile home may be placed.

**“Tax-Exempt”** means with respect to interest on any obligations of a state or local government, including the Series 2020A Bonds, that such interest is excluded from gross income for federal income tax purposes.

**“Verification of Income”** means a Verification of Income in the Borrower’s customary form or in such other comparable form which Borrower shall use to verify tenant income.

**“Very Low Income Residents”** means individuals or families whose income does not exceed 50% of the Area Median Gross Income; provided, however, that if all the occupants of a Space are students (as defined in Section 152(f)(2) of the Code) who fail to be described in Section 42(i)(3)(D) of the Code, the occupants of that Space shall in no event be deemed to be “Very Low Income Residents.” The income of individuals and Area Median Gross Income shall be determined by the Secretary of the Treasury in a manner consistent with determinations of lower income families and Area Median Gross Income under Section 8 (or, if such program is terminated, under such program in effect immediately before such termination). Determinations under the preceding sentence shall include adjustments for family size as prescribed under Section 8.

**“Very Low Income Spaces”** means the Spaces in the Project designated for occupancy by Very Low Income Residents pursuant to Section 3(a) of this Regulatory Agreement.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement, words of any gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Regulatory Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Regulatory Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

The parties to this Regulatory Agreement acknowledge that each party and their respective counsel have participated in the drafting and revision of this Regulatory Agreement. Accordingly, the parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Regulatory Agreement or any supplement or exhibit hereto.

**Section 2. Qualified Residential Rental Property.** The Borrower hereby represents, covenants, warrants and agrees as follows:

(a) The Project will be acquired, improved and operated for the purpose of providing residential rental housing, consisting of one Space for each household, together with any functionally related and subordinate facilities, and no other facilities, in accordance with Section 142(d) of the Code, Section 1.103-8(b) of the Regulations and the provisions of the Act and the Housing Law, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) All of the mobile homes occupying Spaces in the Project will contain separate facilities for living, sleeping, eating, cooking and sanitation, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

(c) All of the Spaces in the Project will be available for rental on a continuous basis to members of the general public, and the Borrower will not give preference to any particular class or group in renting the Spaces in the Project, except to the extent that Spaces are required to be leased or rented to Very Low Income Residents.

(d) The Project comprises a single functionally integrated project for residential rental property, as evidenced by the ownership, management, accounting and operation of the Project.

(e) No part of the Project will at any time during the Qualified Project Period be owned by a cooperative housing corporation, nor shall the Borrower take any steps in connection with a conversion to such ownership or use, and the Borrower will not take any steps in connection with a conversion of the Project to condominium ownership during the Qualified Project Period.

(f) There shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, ancestry, national origin, source of income (e.g. AFDC or SSI) or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project nor shall the transferee or any person claiming under or through the transferee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project.

(g) The Very Low Income Spaces shall be intermingled with, and shall be of comparable quality to, all other Spaces in the Project. Residents in all Spaces shall have equal access to and enjoyment of all common facilities of the Project.

(h) The Borrower will accept as tenants, on the same basis as all other prospective tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the Housing Law, or its successor. The Borrower shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective tenants, nor shall the Borrower apply or permit the application of management policies or lease provisions with respect to the Project which have the effect of precluding occupancy of Spaces by such prospective tenants.

(i) No Space in the Project shall be occupied by the Borrower, but this restriction shall not prevent Borrower from occupying any coach located on a Space so long as Borrower does not occupy such coach. Notwithstanding the foregoing, one or more resident managers or maintenance personnel any of whom may be the Borrower may occupy a Space; provided that the number of such managers or maintenance personnel is not unreasonable given industry standards in the area for the number of Spaces in the Project.

(j) None of the Spaces in the Project will at any time be used on a transient basis and the Borrower will not rent any of the Spaces for a period of less than thirty (30) consecutive days, and none of the Spaces in the Project will at any time be leased or rented for use as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer court or park.

**Section 3. Very Low Income Residents.** The Borrower hereby represents, warrants and covenants as follows:

(a) During the Qualified Project Period, no less than twenty percent (20%) of the total number of completed Spaces in the Project shall at all times be Very Low Income Spaces. For the purposes of this paragraph (a), a vacant Space that was most recently a Very Low Income Space is treated as a Very Low Income Space until reoccupied, other than for a temporary period of not more than thirty-one (31) days, at which time the character of such Space shall be redetermined.

(b) No tenant qualifying as a Very Low Income Resident upon initial occupancy shall be denied continued occupancy of a Space in the Project because, after admission, the aggregate Adjusted Income of all residents in the Space occupied by such Very Low Income Resident increases to exceed the qualifying limit for a Very Low Income Space. However, should the aggregate Adjusted Income of residents in a Very Low Income Space, as of the most recent determination thereof, exceed one hundred forty percent (140%) of the applicable income limit for a Very Low Income Space occupied by the same number of residents, the next available Space of comparable or smaller size must be rented to (or held vacant and available for immediate occupancy by) Very Low Income Resident(s). The Space occupied by such residents whose aggregate Adjusted Income exceeds such applicable income limit shall continue to be treated as a Very Low Income Space for purposes of the 20% requirement of Section 3(a) hereof unless and until a Space of comparable or smaller size is rented to persons other than Very Low Income Residents.

(c) For the Qualified Project Period, the Borrower will obtain, complete and maintain on file Verifications of Income for each Very Low Income Resident at least annually.

(d) The Borrower shall make a good faith effort to verify that the income information provided by an applicant in a Verification of Income is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain pay stubs for the three most recent pay periods, (2) obtain an income tax return for the most recent tax year, (3) obtain a credit report or conduct a similar type credit search, (4) obtain an income verification from the applicant's current employer, (5) obtain an income verification from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies, or (6) if the applicant is unemployed and does not have an income tax return, obtain another form of independent verification reasonably acceptable to the Borrower.

(e) The Borrower will maintain complete and accurate records pertaining to the Very Low Income Spaces, and will reasonably cooperate with any duly authorized representative of the County, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Borrower pertaining to the Project, including those records pertaining to the occupancy of the Very Low Income Spaces.

(f) For the Qualified Project Period, all tenant leases or rental agreements shall be subordinate to this Regulatory Agreement. All leases pertaining to Very Low Income Spaces shall contain clauses, among others, wherein each tenant who occupies a Very Low Income Space: (i) certifies the accuracy of the statements made by such tenant in the Verification of Income; (ii) agrees that the family income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy of such tenant, that such tenant will comply promptly with all requests for information with respect thereto from the Borrower, and that the failure to provide accurate information in the Verification of Income or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of the tenancy of such tenant; (iii) acknowledges that the Borrower has relied on the



statements made by such tenant in the Verification of Income and supporting information supplied by the Very Low Income Resident in determining qualification for occupancy of a Very Low Income Space, and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease or rental agreement; and (iv) agrees that the tenant's income is subject to annual certification in accordance with Section 3(c) and that if upon any such certification the aggregate Adjusted Income of tenants in such Space exceeds the applicable income limit under Section 3(b), the Space occupied by such tenant may cease to qualify as a Very Low Income Space and such Space's rent may be subject to increase.

For purposes of this Section 3, no Space occupied by a residential manager shall be treated as a rental Space during the time of such occupation.

**Section 4. Additional Requirements.** In addition to the other requirements set forth herein, the Borrower hereby agrees that it shall comply with the following:

(a) Not less than twenty percent (20%) of the total number of Spaces in the Project shall be for occupancy on a priority basis by lower income households, which requirement shall be satisfied during the Qualified Project Period by reserving such Spaces for Very Low Income Residents pursuant to Section 3 hereof, and not less than one-half of the Spaces required for occupancy on a priority basis by lower income households shall be for occupancy on a priority basis for Very Low Income Residents, as follows:

(i) where a Very Low Income Resident is both the registered and legal owner of the mobile home and is not making mortgage payments for the purchase of that mobile home, the total rental charge for occupancy of the Space (excluding a reasonable allowance for other related housing costs determined at the time of acquisition of the Project by the Borrower and excluding any supplemental rental assistance from the State, the federal government, or any other public agency to the Very Low Income Resident or on behalf of the Space and the mobile home) shall not exceed one-twelfth of 30 percent of 50 percent of Area Median Gross Income, adjusted for household size in the manner set forth in (iv) below;

(ii) where a Very Low Income Resident is the registered owner of the mobile home and is making mortgage payments for the purchase of that mobile home, the total rental charge for occupancy of the Space (excluding any charges for utilities and storage and excluding any supplemental rental assistance from the State, the federal government, or any other public agency to the Very Low Income Resident or on behalf of the Space and mobile home), shall not exceed one-twelfth of 15 percent of 50 percent of Area Median Gross Income, as adjusted for household size in the manner set forth in (iv) below;

(iii) where a Very Low Income Resident rents both the mobile home and the Space occupied by the mobile home, the total rental payments paid by the Very Low Income Resident on the mobile home and the Space occupied by the mobile home (excluding any supplemental rental assistance from the State, the federal government, or any other public agency to that Very Low Resident or on behalf of that Space and mobile home) shall not exceed one-twelfth of 30 percent of 50 percent of Area Median Gross Income adjusted for household size in the manner set forth in (iv) below;

(iv) in adjusting rents for household size, one person will be assumed to occupy a recreational vehicle, two persons to occupy a single-wide mobile home, and three persons to occupy a multi-sectional mobile home.

(b) So long as there is no change in the applicable property tax law(s) which would cause a ten percent (10%) or greater increase in the property taxes payable for any portion of the Project as compared to the property taxes for such portion of the Project payable for the prior year, Borrower shall not apply for any exemption from property taxes or special assessment payable on all or a portion of the Project. The value of any new improvements or any other exception event added to the property in the prior year shall be excluded from the prior year's taxable value for the purpose of determining if the property taxes for any portion of the Project have increased by ten percent (10%) or more compared to the prior year.

**Section 5. Modification of Covenants.** The Borrower and the County hereby agree as follows:

(a) To the extent any amendments to the Act, the Housing Law, the Regulations or the Code shall retroactively impose requirements upon the ownership or operation of the Project more restrictive than those imposed by this Regulatory Agreement, and if such requirements are applicable to the Project and compliance therewith is necessary to maintain the validity of, or the Tax-Exempt status of interest on the Series 2020A Bonds, this Regulatory Agreement shall be deemed to be automatically amended to impose such additional or more restrictive requirements.

(b) To the extent that the Act, the Housing Law, the Regulations or the Code, or any amendments thereto, shall impose requirements upon the ownership or operation of the Project less restrictive than imposed by this Regulatory Agreement, this Regulatory Agreement may be amended or modified to provide such less restrictive requirements but only by written amendment signed by the Borrower and County, and only upon receipt by the County of the written opinion of Bond Counsel to the effect that such amendment will not affect the Tax-Exempt status of interest on the Series 2020A Bonds or violate the requirements of the Housing Law, and otherwise in accordance with Section 14 hereof.

(c) The Borrower and the County shall execute, deliver and, if applicable, file of record any and all documents and instruments necessary to effectuate the intent of this Section 5.

**Section 6. Right of First Refusal.** If at any time during the term of this Regulatory Agreement Borrower receives a bona fide, third-party offer ("**Third-Party Offer**") to purchase all or a portion of the Project ("**Subject Property**"), then prior to accepting and consummating any transaction pursuant to such Third-Party Offer, Borrower shall present such terms to the County, and the County shall have the right ("**Right of First Refusal**") within thirty (30) business days to notify Borrower in writing that the County shall purchase the Subject Property in accordance with all terms of the Third-Party Offer. The Right of First Refusal shall be personal to the County and cannot be assigned except to local, affiliated governmental entities or agencies. For purposes of this Section 6, in order for an offer to constitute a Third-Party Offer, it must be received by Borrower from a completely unrelated and unaffiliated (whether directly or indirectly) party to Borrower and/or any of Borrower's affiliates ("**Unaffiliated Buyer**"). If the County does not provide Borrower with timely notice of the County's commitment to purchase the Subject Property in accordance with the terms of the Third-Party Offer, then Borrower may proceed to sell the Subject Property to the Unaffiliated Buyer pursuant to the Third-Party Offer. If the sale to the Unaffiliated Buyer is not completed for any reason, then the Right of First Refusal shall continue in effect. If the County does provide Borrower with timely notice of the County's commitment to purchase the Subject Property in accordance with the terms of the Third-Party

Offer but such sale to the County does not occur for any reason other than Borrower default, the Right of First Refusal shall no longer apply to the Subject Property.

**Section 7. Consideration.** In consideration of County's cooperation with the Bond issuance process, the Borrower has entered into this Regulatory Agreement and has agreed to restrict the use of the Project on the terms and conditions set forth herein.

**Section 8. Term.** This Regulatory Agreement and all and several of the terms hereof shall become effective upon its execution and delivery, and shall remain in full force and effect for the period provided herein and shall terminate as to any provision not otherwise provided with a specific termination date and shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are intended to survive the retirement of the Bonds and discharge of the Indenture and the Loan Agreement.

The other terms of this Regulatory Agreement to the contrary notwithstanding, this Regulatory Agreement shall terminate and be of no further force and effect in the event of (a) involuntary noncompliance with the provisions of this Regulatory Agreement caused by fire or other casualty, seizure, requisition, condemnation, change in a federal law or an action of a federal agency or a similar event after the Closing Date, which prevents the County from enforcing such provisions, or (b) foreclosure or deed in lieu of foreclosure or a similar event, but only if, within a reasonable period after any such event, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project that meets the requirements hereof; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure or the delivery of a deed in lieu of foreclosure or a similar event, the Borrower or any related person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Project for federal income tax purposes. The Borrower hereby agrees that, following any foreclosure, transfer of title by deed in lieu of foreclosure or similar event, neither the Borrower nor any such related person as described above will obtain an ownership interest in the Project for federal tax purposes. Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

**Section 9. Covenants to Run With the Land.** The Borrower hereby subjects the Project to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The County and the Borrower hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Borrower's successors in title to the Project; provided, however, that on the termination of this Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

No breach of or any of the provisions of this Regulatory Agreement shall impair, defeat or render invalid the lien of any mortgage, deed of trust or like encumbrance made in good faith and for value encumbering the Project or any portion thereof.

**Section 10. Burden and Benefit.** The County and the Borrower hereby declare their understanding and intent that the burdens of the covenants set forth herein touch and concern the land in that the Borrower's legal interest in the Project is rendered less valuable thereby. The County and the Borrower hereby further declare their understanding and intent that the benefits of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by Very Low Income Residents, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Bonds were issued, including lessening the burdens of the County by providing housing for Very Low Income Residents.

**Section 11. Uniformity; Common Plan.** The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use of the site on which the Project is located.

**Section 12. Default; Enforcement.** If the County determines that Borrower is in default of its performance or observance of any covenant, agreement or obligation of the Borrower set forth in this Regulatory Agreement, and if such default remains uncured for a period of sixty (60) days after notice thereof shall have been given by the County to the Borrower, then the County may declare an "Event of Default" to have occurred hereunder; provided, however, that if the default is of such a nature that it cannot be corrected within sixty (60) days, such default shall not constitute an Event of Default hereunder so long as (i) the Borrower institutes corrective action within said sixty (60) days and diligently pursues such action until the default is corrected, and (ii) in the opinion of Bond Counsel, the failure to cure said default within sixty (60) days will not adversely affect the Tax-Exempt status of interest on the Series 2020A Bonds.

Following the declaration of an Event of Default hereunder, the County, may (i) by mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Borrower to perform its obligations and covenants hereunder or enjoin any acts or things that may be unlawful or in violation of the rights of the County hereunder, and (ii) have access to and inspect, examine and make copies of all of the books and records of the Borrower pertaining to the Project.

The Borrower hereby agrees that specific enforcement of the Borrower's agreements contained herein is the only means by which the County may fully obtain the benefits of this Regulatory Agreement made by the Borrower herein, and the Borrower, therefore, agrees to the imposition of the remedy of specific performance against it in the case of any Event of Default by the Borrower hereunder.

In the event of any action taken to enforce this Regulatory Agreement, each party is solely responsible for its own attorney fees and costs.

**Section 13. Recording and Filing.**

(a) The Borrower shall cause this Regulatory Agreement and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of the County. The Borrower shall pay all fees and charges incurred in connection with any such recording.

(b) The Borrower and the County will file of record such other documents and take such other steps as are reasonably necessary, in the opinion of Bond Counsel, in order to

insure that the requirements and restrictions of this Regulatory Agreement will be binding upon all Borrowers of the Project.

**Section 14. Governing Law; Venue.** This Regulatory Agreement shall be governed by the laws of the State of Oregon. Any claim, action, or suit between County and Borrower that arises out of or relates to the performance of this Regulatory Agreement shall be brought and conducted solely and exclusively within the Circuit Court for the County. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

**Section 15. Amendments; Waivers.** This Regulatory Agreement may be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County. The County and the Borrower hereby agree to negotiate, in good faith, a potential amendment to this Regulatory Agreement to the extent required, in the opinion of Bond Counsel, to ensure the Series 2020A Bonds remains Tax-Exempt.

**Section 16. Notices.** Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, overnight delivery, certified or registered mail, postage prepaid, return receipt requested, or by telecopy, in each case at the respective addresses specified in the Indenture, or at such other addresses as may be specified in writing by the parties hereto.

County: Marion County Legal Counsel  
Attn: Jane E. Vetto  
555 Court St NE, Suite 5242  
PO Box 14500  
Salem, OR 97309

Borrower: Caritas Acquisitions VII, LLC  
c/o The Caritas Corporation  
3 Park Plaza, Suite 1700  
Irvine, California 92614  
Phone: (949) 753-1514  
Fax: (949) 753-1535

The parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Notice shall be deemed given on the date evidenced by the postal or courier receipt or other written evidence of delivery or electronic transmission; provided that any telecopy or other electronic transmission received by any party after 5:00 p.m., local time of the receiving party, as evidenced by the time shown on such transmission, shall be deemed to have been received the following Business Day.

A copy of each notice sent by or to the Borrower shall also be sent to the Manager at the address of the Manager provided by the Borrower to the County; but such copies shall not constitute notice to the Borrower, nor shall any failure to send such copies constitute a breach of this Regulatory Agreement or a failure of or defect in notice to the Borrower.

The Borrower shall notify the County in writing of any change to the name of the Project or any change of name or address for the Borrower or the Manager or any replacement of the Manager.

**Section 17. Severability.** If any provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

**Section 18. Multiple Counterparts.** This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

**Section 19. Limitation on Liability.** Notwithstanding the foregoing or any other provision or obligation to the contrary contained in this Regulatory Agreement, (i) the liability of the Borrower under this Regulatory Agreement to any person or entity, including, but not limited to, the County and its successors and assigns, is limited to the Borrower's interest in the Project, the Gross Revenues and the amounts held in the funds and accounts created under the Indenture, and such persons and entities shall look exclusively thereto, or to such other security as may from time to time be given for the payment of obligations arising out of this Regulatory Agreement or any other agreement securing the obligations of the Borrower under this Regulatory Agreement; and (ii) from and after the date of this Regulatory Agreement, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Regulatory Agreement, any agreement pertaining to the Project or any other agreement securing the Borrower's obligations under this Regulatory Agreement), shall be rendered against the Borrower, the assets of the Borrower (other than the Borrower's interest in the Project, this Regulatory Agreement, amounts held in the funds and accounts created under the Indenture or the Loan Agreement, any rights of the Borrower under the Indenture or any other documents relating to the Bonds or any rights of the Borrower under any guarantees relating to the Project), its members, successors, transferees or assigns and each of their respective officers, directors, employees, partners, agents, heirs and personal representatives, as the case may be, in any action or proceeding arising out of this Regulatory Agreement, the Loan Agreement and the Indenture or any agreement securing the obligations of the Borrower under this Regulatory Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding.

**IN WITNESS WHEREOF**, the County and the Borrower have executed this Regulatory Agreement by duly authorized representatives, all as of the date first above written.

COUNTY OF MARION

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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 Oregon )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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 Oregon that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Borrower

CARITAS ACQUISITIONS VII, LLC, a California  
limited liability company

By \_\_\_\_\_  
Robert R. Redwitz  
Manager

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 Orange )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, 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 \_\_\_\_\_



## EXHIBIT A-1

### LEGAL DESCRIPTION OF HUBBARD MOBILE ESTATES

#### PARCEL I:

Beginning at an iron pipe on the East line of the State Highway that is 9.81 chains South 00°30' West and 20.84 chains South 40°55' West and 20.00 chains South 33°22' West and 40.20 feet South 49°05' East and 365.00 feet South 33°22' West from the Northeast corner of Chas. Hubbard Donation Land Claim No. 70 in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon, which is the Point of Beginning of this description; thence South 56°15'30" East 208.52 feet; thence North 32°14' East 120.80 feet; thence North 60°28' West 63.40 feet; thence North 36°34' East 39.00 feet; thence North 56°05' West 144.77 feet to a point on the East line of said highway; thence South 33°22' West 155.43 feet to the Place of Beginning.

#### PARCEL II:

Beginning at an iron pipe on the Southeasterly line of the Pacific Highway which is 9.81 chains South 00°20' West and 20.84 chains South 40°55' West and 20.0 chains South 33°22' West and 40.2 feet South 49°05' East from the Northeast corner of the Charles Hubbard Donation Land Claim No. 70 in Sections 27 and 34, Township 4 South, Range 1 West of the Willamette Meridian, Marion County, Oregon; thence South 49°05' East 617.3 feet to an iron pipe; thence South 38°50' West 290.68 feet to the most Easterly corner of the 25 foot strip conveyed to Alon E. Davis, by deed recorded October 5, 1946 in Volume 356, Page 366, Deed Records for said County and State; thence North 56°15'30" West 609.75 feet to the most Northerly corner of said 25 foot strip, which Northerly corner is situated on said Southeasterly line of the Pacific Highway; thence North 30°22' East, along said Southeasterly line, 365.00 feet to the Place of Beginning.

#### EXCEPTING THEREFROM:

Beginning at an iron pipe on the East line of the State Highway that is 9.81 chains South 00°30' West and 20.84 chains South 40°55' West and 20.00 chains South 33°22' West and 40.20 feet South 49°05' East and 365.00 feet South 33°22' West from the Northeast corner of Chas. Hubbard Donation Land Claim No. 70 in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon, which is the Point of Beginning of this description; thence South 56°15'30" East 208.52 feet; thence North 32°14' East 120.80 feet; thence North 60°28' West 63.40 feet; thence North 36°34' East 39.00 feet; thence North 56°05' West 144.77 feet to a point on the East line of said highway; thence South 33°22' West 155.43 feet to the Place of Beginning.

## EXHIBIT A-2

### LEGAL DESCRIPTION OF SHERWOOD MOBILE ESTATES

#### TRACT 1:

Beginning at a point which is 37.384 chains South, 14.522 chains North 49° 05' West and 12 chains South 33° 50' West from the Northeast corner of the Charles Hubbard and wife Donation Land Claim No. 70, in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon; thence South 49° 05' East 1.394 chains to an iron pipe; thence South 33° 55' West 2.86 chains to an iron pipe; thence North 49° 05' West 1.576 chains; thence Northeasterly 2.85 chains, more or less, to the point of beginning, being the Southeasterly portion of the tract conveyed to Herbert Boeser, et ux, by deed dated July 30, 1966, and recorded in Volume 620 and Page 68 in Deed Records for Marion County, Oregon.

#### TRACT 2:

Beginning at an iron bar 37.384 chains South, 8.093 chains North 49° 05' West and 12.00 chains South 33° 50' West from the Northeast corner of the Charles Hubbard Donation Land Claim, the same being Claim No. 70 in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon, which is also most Southerly corner of the tract of land conveyed to Joe R. Atchison and Ruby M. Atchison, husband and wife, by deed recorded December 10, 1936 in Volume 228, Page 78, Deed Records for Marion County, Oregon; thence running South 33° 50' West 4.00 chains to an iron bar; thence North 49° 05' West 9.385 chains to the Southerly line of the Pacific Highway, thence North 33° 22' East along the Southerly line of said Pacific Highway, 1.14 chains to an iron pipe; thence South 49° 05' East 4.354 chains to an iron pipe; thence North 33° 50' East 2.86 chains to an iron pipe; thence South 49° 05' East 5.04 chains to the point of beginning, being situated in the Charles Hubbard Donation Land Claim in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon.

#### TRACT 3:

Beginning at an iron bar 37.384 chains South, 8.093 chains North 49° 05' West and 16 chains South 33° 50' West from the Northeast corner of the Charles Hubbard and wife's Donation Land Claim No. 70 in Township 4 South, Range 1 West of the Willamette Meridian in Marion County, Oregon; thence South 33° 50' West 4 chains to an iron rod; thence North 49° 05' West 9.353 chains to an iron pipe in the Southeast line of the State of Highway (Pacific Highway 99E); thence North 33° 22' East along the Southeast line of said Highway 4 chains to an iron bar; thence South 49° 05' East 9.385 chains to the place of beginning.

## EXHIBIT A-3

### LEGAL DESCRIPTION OF CHATEAU MOBILE VILLAGE

#### PARCEL 1:

Beginning at a point on the South line of Carl Road (County Road No. 531) marking the Northeast corner of a tract of land conveyed to William B. Whistler and Gwyla L. Whistler, by deed recorded in Reel 726, Page 438, Deed Records, Marion County, Oregon, and being situated in Section 4, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon; thence South 0° 00' 00" East along the East line of said Whistler tract a distance of 395.96 feet to an angle point therein; thence North 88° 02' 08" West along said boundary line a distance of 70.14 feet; thence Southwesterly along the arc of a 72.30 foot radius curve to the right (the chord of which bears South 47° 24' 01" West 106.52 feet) a distance of 119.74 feet to an iron rod; thence South 0° 02' 41" East 140.50 feet to an iron rod; thence South 59° 20' 55" East 88.23 feet to an iron rod; thence South 0° 05' 00" East 175.75 feet to an iron rod marking the most Southerly Southeast corner of said Whistler tract; thence South 89° 58' 57" West along the South line of said Whistler tract, a distance of 520.52 feet to an iron pipe marking the most Southerly Southwest corner thereof; thence North 0° 02' 07" East along the West line of said tract a distance of 257.35 feet to an iron pipe marking an angle point therein; thence North 89° 58' 41" West along said boundary line a distance of 81.84 feet to an iron pipe marking an angle point therein; thence North 47° 11' 41" West along said boundary line a distance of 85.03 feet to a point on the Easterly right of way line of Pacific Highway 99E as conveyed to the State of Oregon, through its Department of Transportation and recorded in Reel 961, Page 284, Deed Records; thence North 31° 47' 29" East along said right of way line a distance of 471.97 feet to a point opposite Engineers Station 1628+30; thence North 35° to a point on the South right of way line of said Carl Road; thence North 89° 49' 43" East along said right of way line a distance of 410.98 feet to the point of beginning.

SAVE AND EXCEPT that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by deed recorded June 18, 1992, in Reel 961, Page 284, Microfilm Records, Marion County, Oregon.

#### PARCEL 2:

Beginning at a point which is 432.06 feet East and 567.40 feet South from the point of intersection of the Easterly line of the Pacific Highway 99E with the South line of County Road No. 531 in Section 4, Township 5 South, Range 1 West of the Willamette Meridian in Marion County, Oregon, said point of beginning being also on the East line of a tract of land conveyed to Mabel Fikan by deed recorded in Volume 280, Page 496, Deed Records for said County and State; thence North, along the East line of said Fikan tract, 273.40 feet; thence West, parallel with the South line of said County Road, 70.00 feet; thence South, parallel with the East line of said Fikan tract, 112.00 feet; thence South 45° 00' West 80.00 feet; thence West, parallel with the East line of said County Road, 15.00 feet; thence South, parallel with the East line of said Fikan tract, 104.83 feet; thence East 141.57 feet to the point of beginning.

SAVE AND EXCEPT that portion conveyed to Ivan L. Orton and Betty A. Orton by Deed recorded August 27, 1981 in Reel 259, Page 1144, Records for Marion County, Oregon.

TOGETHER WITH an easement for roadway purposes over the following described property:

Beginning at a point which is 432.06 feet North 89° 53' East measured along the South line of County Road No. 531 and 396.15 feet South and North 88° 08' West 70.00 feet from the point of intersection of the East line of the Pacific Highway 99E with the South line of County Road No. 531, in Section 4 in Township 5 South, Range 1 West of the Willamette Meridian in Marion County, Oregon, thence along the arc of a 72.30 foot radius curve to the right (the chord of which bears South 47° 26' 42" West 106.52 feet) a distance of 119.74 feet; thence North 33° 55' 50" East 86.82 feet; thence North 396.15 feet to a point on the South line of County Road No. 531; thence East, along said South line of County Road No. 531, a distance of 30.00 feet; thence South 396.15 feet to the point of beginning.

PARCEL 3:

Beginning at a point which is 30.00 feet South 89°48' West and 215.50 feet South 00°07' East from the Northwest corner of Lot 1, Block 1, CHATEAU RANCHETTES, as recorded in Book of Town Plats 23, Page 44, Marion County Records, and situated in Section 4, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon; thence South 89°48' West, parallel to the South right of way line of County Road 531 (Carl Road) 267.94 feet to the East line of a tract of land conveyed to Ivan Orton by deed described in Volume 627, Page 37, Marion County Records; thence South, along said East line, 215.50 feet; thence North 89°48' East, parallel to said South right of way line, 273.41 feet to a point which is 30.00 feet West of, when measuring at right angles to, the West line of said CHATEAU RANCHETTES; thence North 00°07' West, parallel to said West line, 215.50 feet to the point of beginning.

TOGETHER WITH: A tract of land described in Reel 783, Page 351, Marion County Deed Records, Marion County, Oregon, situated in the Southwest 1/4 of Section 4, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon: Beginning at a point which is 30.00 feet South 89°48'00" West and 461.93 feet South 00°07'00" East from the Northwest corner of Lot 1, Block 1, CHATEAU RANCHETTES, as recorded in Volume 23, Page 44, Book of Town Plats for Marion County, Oregon; thence South 89°48'00" West a distance of 159.46 feet; thence North 00°08'54" West a distance of 30.93 feet; thence North 89°48'00" East a distance of 159.48 feet; thence South 00°07'00" East a distance of 30.93 feet to the point of beginning.

SAVE AND EXCEPT: A tract of land described in Reel 783, Page 351, Marion County Deed Records, Marion County, Oregon, situated in the Southwest 1/4 of Section 4, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon: Beginning at a point which is 30.00 feet South 89°48'00" West and 461.93 feet South 00°07'00" East and 159.46 feet South 89°48'00" West and 73.58 feet North 00°08'54" West from the Northwest corner of Lot 1, Block 1, CHATEAU RANCHETTES, as recorded in Volume 23, Page 44, Book of Town Plats for Marion County, Oregon; thence South 89°48'00" West a distance of 113.75 feet; thence South a distance of 42.67 feet; thence North 89°48'00' East a distance of 113.86 feet; thence North 00°08'54" West a distance of 42.65 feet to the point of beginning.

TOGETHER WITH a 30 foot wide access easement described as follows:

Beginning on the South right of way line of County Road 531 (Carl Road) at the Northwest corner of Lot 1, Block 1, CHATEAU RANCHETTES, as recorded in Book of Town Plats 23, Page 44, Marion County Records, and situated in Section 4, Township 5 South, Range 1 West of the Willamette Meridian, Marion County, Oregon; thence South 89°48' West, along said right of way line, 30.00 feet thence South 00°07' East, parallel to the West line of said Block 1, a

distance of 431.00 feet thence North 89°48' East, parallel to said South right of way line, 30.00 feet to the West line of said block; thence North 00°07' West, along said West line, 431.00 feet to the point of beginning.

PARCEL 4:

Beginning at a point which is 114.490 chains West and 34.247 chains North 32°08' East and 15.020 chains South 89°25' East from the Northeast corner of the C.C. Cooley Donation Land Claim in Township 5 South, Range 1 West of the Willamette Meridian, in Marion County, Oregon, said point being the Southeast corner of a tract of land conveyed to Robert Smith by deed recorded in Volume 280, Page 495, Deed Records for said County and State; thence, along the East line of said tract of land 257.64 feet to the Southeast corner of a tract of land conveyed to Ivan Orton by deed recorded in Volume 627, Page 37, Deed Records for said County and State; thence West, along the North line of said Orton tract of land, 592.65 feet; thence South 257.64 feet to a point on the South line of said Robert Smith's tract of land; thence East, along the South line of said Smith tract of land, 592.65 feet to the place of beginning.

SAVE AND EXCEPT: Beginning at the Northeast corner of a tract of land conveyed to Ivan Orton, et ux, by deed recorded in Volume 627, Page 36, Deed Records, Marion County, Oregon, and being in Township 5 South, Range 1 West of the Willamette Meridian, in said County and State; thence South, along the East line of said tract and extension thereof, 396.15 feet; thence North 88°08' West 70.00 feet; thence, along the arc of a 72.30 foot radius curve to the right (the chord of which bears South 47°26'42" West 106.52 feet), a distance of 119.74 feet; thence South 140.50 feet; thence South 59°22'12" East 88.32 feet; thence South 175.64 feet to a point on the South line of a tract of land conveyed to Ivan Orton by deed recorded in Volume 653, Page 749, Deed Records for said County and State; thence West 520.23 feet to the Southwest corner thereof; thence North 257.64 feet to the Northwest corner of said Volume 653, Page 739; thence West 64.35 feet to an angle point in the North line of a tract of land conveyed to Robert Smith and recorded in Volume 450, Page 387, Deed Records for said County and State; thence North 49°08' West, along the North line of said Volume 460, Page 387, 92.85 feet to a point on the Easterly right of way line of Pacific Highway 99E; thence Northeasterly, along said Highway right of way line, to a point where the Easterly right of way line of Pacific Highway 99E intersects the Southerly right of way line of County Road No. 531; thence Easterly, along the Southerly right of way line of said County Road, 432.06 feet to the point of beginning.

**EXHIBIT A-4**

**LEGAL DESCRIPTION OF BELLE PASSI MOBILE ESTATES**

Parcel 1 of PARTITION PLAT NO. 1991-136, in the County of Marion and State of Oregon.

Parcel 2 of PARTITION PLAT NO. 1991-136, in the County of Marion and State of Oregon.

SAVE AND EXCEPT that portion of the above described property acquired by the State of Oregon, by and through its Department of Transportation, by Judgment in Marion County Circuit Court Case No. 11C18960, recorded November 16, 2012 in Reel 3445 Page 134, Marion County Records.

## EXHIBIT A-5

### LEGAL DESCRIPTION OF LAZY ACRES MOBILE HOME PARK

BEGINNING AT A POINT ON THE EAST BOUNDARY OF THE PETER RAYMOND DONATION LAND CLAIM NO. 58, IN TOWNSHIP 5 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN, MARION COUNTY, OREGON; SAID BEGINNING POINT BEING SOUTH 11° WEST 16.02 CHAINS FROM THE NORTHEAST CORNER OF SAID CLAIM; THENCE WEST 11.11 CHAINS; THENCE NORTH 2.41 CHAINS TO M. TRIPLET'S SOUTH LINE; THENCE EAST ON M. TRIPLET'S SOUTH LINE 5.80 CHAINS TO M. TRIPLET'S SOUTHEAST CORNER AND THE EAST LINE OF DOUGLAS DIMICK'S LAND; THENCE SOUTH 1.41 CHAINS TO THE SOUTHWEST CORNER OF A 10 ACRE TRACT OF LAND SOLD BY H. SETTLEMIER AND WIFE, TO HENRY VAN PROOYEN; THENCE EAST ON THE SOUTH BOUNDARY OF SAID 10 ACRE TRACT 5.35 CHAINS TO THE EAST BOUNDARY OF THE SAID PETER RAYMOND DONATION LAND CLAIM; THENCE SOUTH 11° WEST ON THE EAST BOUNDARY OF SAID CLAIM, 1.02 CHAINS TO THE PLACE OF BEGINNING.

ALSO: BEGINNING AT AN IRON BAR IN THE EAST LINE OF THE PETER RAYMOND DONATION LAND CLAIM NO. 58, TOWNSHIP 5 SOUTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN, MARION COUNTY, OREGON, SAID POINT BEING SOUTH 11° WEST 16.02 CHAINS FROM THE NORTHEAST CORNER OF SAID DONATION LAND CLAIM; THENCE WEST 11.11 CHAINS TO THE SOUTHWEST CORNER OF THE TRACT OF LAND ABOVE DESCRIBED; THENCE SOUTH 196.85 FEET; THENCE EAST 680.4 FEET TO THE EAST LINE OF THE PETER RAYMOND DONATION LAND CLAIM; THENCE NORTH 11° EAST ON THE EAST LINE OF SAID DONATION LAND CLAIM 201.65 FEET, MORE OR LESS, TO THE PLACE OF BEGINNING.

ALSO: BEGINNING AT THE SOUTHWEST CORNER OF A 2 ACRE TRACT OF LAND SOLD BY J.H. SETTLEMIER TO MRS. A. C. BRONKEY ON OCTOBER 14, 1890, WHICH DEED IS RECORDED IN VOLUME 42 AND PAGE 87, IN DEED RECORDS; THENCE SOUTH 89°45' EAST 6.135 CHAINS; THENCE SOUTH 1.63 CHAINS; THENCE NORTH 89°45' WEST 6.135 CHAINS; THENCE NORTH 1.63 CHAINS TO THE PLACE OF BEGINNING.

SAVE AND EXCEPT THAT PORTION CONVEYED TO MARION COUNTY, BY INSTRUMENT DATED JULY 10, 1973, RECORDED AUGUST 10, 1973 IN VOLUME 758 AND PAGE 437, IN DEED RECORDS.