



## **DOCUMENTOS REQUERIDOS PARA ESTABLECER LA ELIGIBILIDAD DE LA LOTERÍA**

*Los documentos incluidos en este paquete deben ser completados por el / los Solicitante (s):*

1. Anexo A: Documentación Requerida por la Ciudad
2. Anexo B: Certificación del Solicitante
3. Anexo C: Declaración de la Composición del Hogar
4. Anexo D: Información de Contacto del Solicitante
5. Anexo E: Formulario de Reconocimiento de Vivienda Económica
6. Anexo F: Certificación de bienes.
7. Anexo F: Ejemplo de Acuerdo de Restricción de Escritura para la Reventa (este documento es sólo con fines informativos y no necesita ser completado, firmado, ni presentado como parte del paquete)

**Esta es una traducción de la Versión en inglés. Si existen errores, la versión en inglés aplica.**



## ANEXO A DOCUMENTACIÓN REQUERIDA POR LA CIUDAD

### **Del Solicitante (s):**

- Tres (3) años más recientes de declaraciones de impuestos federales firmados (2017, 2016, 2015 o 2018 si está disponible)
- Dos (2) años más recientes declaraciones W2 (2017, 2016 o 2018 si está disponible)
- Dos (2) meses de recibos de pago del empleador más recientes
- Dos (2) meses de estados bancarios más recientes (chequera, ahorros)
- Estado de cuenta de jubilación, 401k más reciente
- Otras fuentes de ingresos (Carta de beneficio de SSI, Carta de beneficio de discapacidad, Documentación de Manutención Infantil, etc.)
- Sistema de puntos de prioridad: Prueba de residencia o empleo en Salinas (al menos 1 año antes de la solicitud)
  - Una declaración de impuestos o W2 que muestre la dirección de residencia o de su empleador en Salinas es aceptable. Además, recibos de renta / facturas de servicios públicos, una carta que verifique el empleo de Salinas (comprobante firmado por el empleador) talones de pago, etc., que evidencien la residencia / empleo en la Ciudad de al menos un año antes. Solo se necesita un elemento de prueba.

### **Del Prestamista:**

- Carta de calificación previa (especifique si hay créditos de costos de cierre)
- Formulario hipotecario 1003
- Formulario hipotecario 1008
- Estimación de Préstamo (LE)
- Formulario de autorización para divulgar información
- Verificación de Empleo (VOE) para el solicitante (s)
- Carta de regalo (si corresponde)

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**ANEXO B  
CERTIFICACION DEL SOLICITANTE**

Yo/nosotros estamos solicitando para la compra de una Unidad de Vivienda Inclusiva en fraccionamiento Monte Bella Fase 5B.

- A. Entendemos y estamos de acuerdo que como comprador de una Unidad de Vivienda Inclusiva:
1. Tenemos la obligación de presentar evidencia satisfactoria a la Ciudad de Salinas de que todos los solicitantes son primeros compradores de vivienda.
  2. Para cumplir con los requisitos de Primer Comprador de Vivienda, ningún miembro del hogar puede haber sido dueño ni haber tenido interés equitativo en ninguna residencia de familia única, condominio, unidad PUD ni otro tipo de propiedad de capital compartido dentro de los últimos tres (3) años calendarios,
  3. No se considera Primer Comprador de Vivienda, para propósitos de este programa, a propietarios de casa móviles donde no son dueños o tienen un interés económico en el terreno donde está localizada la casa móvil.
  4. La unidad de vivienda inclusiva no puede revenderse a precio de mercado hasta que pase un periodo de asequibilidad de 30 años donde se tendrá que revender a un precio económico dictado por la Ciudad.
  5. El propietario de esta unidad de vivienda inclusiva deberá presentar anualmente una declaración jurada donde declara que esta unidad se mantiene como su residencia principal.
- B. Declaramos y garantizamos a través de la presente que el valor total de los activos o bienes de nuestro hogar sin contar vestimentas, muebles y vehículos no excede la cantidad de:
- Pago inicial o anticipo para la compra de esta unidad;
  - \$15,000;
  - Los costos de cierre de la compra;
  - Costos de préstamo prepagados; y
  - Costos de vivienda para seis meses
- C. Entendemos y estamos de acuerdo en que tenemos la obligación de presentar evidencia satisfactoria para los requisitos de la compra de una unidad de vivienda inclusiva en el fraccionamiento Monte Bella Fase 5B.

Bajo pena de perjurio, los firmantes de este documento, de forma conjunta y solidaria, declaramos y garantizamos que la información contenida en este documento es verdadera y correcta según nuestro leal saber y entender.

\_\_\_\_\_  
Solicitante                                      Fecha

\_\_\_\_\_  
Solicitante                                      Fecha

\_\_\_\_\_  
Solicitante                                      Fecha

\_\_\_\_\_  
Solicitante                                      Fecha

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**ANEXO C**  
**CONSTANCIA DE MIEMBROS VIVIENDO EN EL HOGAR**

En conexión con mi/nuestra aplicación para una unidad de bajos ingresos en el fraccionamiento Monte Bella, yo/nosotros, hemos dado constancia de la información siguiente referente a todos los individuos que van a vivir en el hogar:

Nombre: _____ Numero de Seguro Social: _____ Edad _____	
Estatus de Residencia (marque una):	
Ciudadano estadounidense _____ Residente Legal _____ Otro _____	
Relación con el solicitante: _____	
Fuentes de Ingreso del 2017 al presente: (marques los que apliquen):	
_____ Salario de trabajo	_____ beneficios de Desempleo
_____ Discapacidad	_____ Seguro Social
_____ Ingresos de Dividendos o Intereses	_____ Otro Ingreso: _____

Nombre: _____ Numero de Seguro Social: _____ Edad _____	
Estatus de Residencia (marque una):	
Ciudadano estadounidense _____ Residente Legal _____ Otro _____	
Relación con el solicitante: _____	
Fuentes de Ingreso del 2017 al presente: (marques los que apliquen):	
_____ Salario de trabajo	_____ beneficios de Desempleo
_____ Discapacidad	_____ Seguro Social
_____ Ingresos de Dividendos o Intereses	_____ Otro Ingreso: _____

Nombre: _____ Numero de Seguro Social: _____ Edad _____	
Estatus de Residencia (marque una):	
Ciudadano estadounidense _____ Residente Legal _____ Otro _____	
Relación con el solicitante: _____	
Fuentes de Ingreso del 2017 al presente: (marques los que apliquen):	
_____ Salario de trabajo	_____ beneficios de Desempleo
_____ Discapacidad	_____ Seguro Social
_____ Ingresos de Dividendos o Intereses	_____ Otro Ingreso: _____



Nombre: \_\_\_\_\_ Numero de Seguro Social: \_\_\_\_\_ Edad \_\_\_\_\_  
Estatus de Residencia (marque una):  
Ciudadano estadounidense \_\_\_\_\_ Residente Legal \_\_\_\_\_ Otro \_\_\_\_\_  
Relación con el solicitante: \_\_\_\_\_  
Fuentes de Ingreso del 2017 al presente: (marques los que apliquen):  
\_\_\_\_\_ Salario de trabajo \_\_\_\_\_ beneficios de Desempleo  
\_\_\_\_\_ Discapacidad \_\_\_\_\_ Seguro Social  
\_\_\_\_\_ Ingresos de Dividendos o Intereses \_\_\_\_\_ Otro Ingreso: \_\_\_\_\_

Nombre: \_\_\_\_\_ Numero de Seguro Social: \_\_\_\_\_ Edad \_\_\_\_\_  
Estatus de Residencia (marque una):  
Ciudadano estadounidense \_\_\_\_\_ Residente Legal \_\_\_\_\_ Otro \_\_\_\_\_  
Relación con el solicitante: \_\_\_\_\_  
Fuentes de Ingreso del 2017 al presente: (marques los que apliquen):  
\_\_\_\_\_ Salario de trabajo \_\_\_\_\_ beneficios de Desempleo  
\_\_\_\_\_ Discapacidad \_\_\_\_\_ Seguro Social  
\_\_\_\_\_ Ingresos de Dividendos o Intereses \_\_\_\_\_ Otro Ingreso: \_\_\_\_\_

- Yo/Nosotros certificamos y entendemos que documentación adicional referente a los miembros del hogar pueda ser requerida y el no entregar esta información con suficiente tiempo pueda resultar en mi/nuestra descalificación de este programa de vivienda para familias de bajos ingresos.
- Yo/Nosotros certificamos y entendemos que cualquier cambio en número de individuos que vivirán en la vivienda, y el no someter un aviso por escrito de estos cambios a la Ciudad pueda resultar en mi/nuestro descalificación de este el programa de vivienda para familias de bajos ingresos.
- Yo/Nosotros declaramos y garantizamos que toda la información sometida es verdad y correcta.

\_\_\_\_\_  
Aplicante Fecha

\_\_\_\_\_  
Aplicante Fecha

\_\_\_\_\_  
Aplicante Fecha

\_\_\_\_\_  
Aplicante Fecha

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**ANEXO D**  
**INFORMACIÓN DE CONTACTO DEL SOLICITANTE**

INFORMACIÓN DE CONTACTO DEL SOLICITANTE

Solicitante # 1:

Nombre: \_\_\_\_\_

Teléfono: \_\_\_\_\_

Correo electrónico: \_\_\_\_\_

Solicitante # 2:

Nombre: \_\_\_\_\_

Teléfono: \_\_\_\_\_

Correo electrónico: \_\_\_\_\_

Preferencia de idioma (por favor circule a continuación):

Inglés      Español      Algo de Inglés OK



**ANEXO E**  
**FORMULARIO DE RECONOCIMIENTO DE VIVIENDA ECONOMICA**

Estoy / estamos aplicando para la compra de una Unidad de Vivienda Inclusiva la cual es restringida en el fraccionamiento Monte Bella Fase 5B. Recibí / recibimos una copia del Acuerdo de Restricción en la Escritura para la Reventa en ingles llamado “Inlcusionary Housing Resale Deed Restriction Agreement” y marcado "SAMPLE", e incluido como Anexo G. Por medio de mi / nuestra firma reconocemos haber leído y comprendido completamente las restricciones tal como se describen en el Acuerdo de Restricción en la Escritura para la Reventa en ingles llamado “Inlcusionary Housing Resale Deed Restriction Agreement” y marcado “SAMPLE”. He / hemos tenido la oportunidad de buscar consejería de un asesor legal y / o hacer preguntas al personal de la Ciudad sobre las restricciones del personal de la Ciudad.

Además, entiendo / comprendemos que un Acuerdo de Restricción en la Escritura para la Reventa será registrado sobre la propiedad. También entiendo / comprendemos que no podremos revender la unidad a precio de mercado si decido vender la unidad antes de que expire el período de asequibilidad de 30 años.

También entiendo / entendemos y aceptamos que no se tomarán líneas de crédito o segundos prestamos bajo la propiedad dentro del período de asequibilidad de 30 años y usaremos el hogar como nuestro lugar de residencia principal.

\_\_\_\_\_  
Firma del solicitante

\_\_\_\_\_  
Firma del solicitante

\_\_\_\_\_  
Nombre en letra de molde

\_\_\_\_\_  
Nombre en letra de molde

\_\_\_\_\_  
Fecha

\_\_\_\_\_  
Fecha

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**ANEXO F  
CERTIFICACIÓN DE BIENES**

Yo / nosotros por este medio representamos y garantizamos que el valor total de los bienes de nuestro hogar, sin incluir ropa, artículos para el hogar y vehículos motorizados, se detalla a continuación.

- Bienes de los compradores (cuenta de cheques) ..... \$ \_\_\_\_\_
- Bienes de los compradores (ahorros) ..... \$ \_\_\_\_\_
- Bienes de los compradores (cuenta de jubilación, 401k, etc.) \$ \_\_\_\_\_
- Bienes de los compradores (Otro, por favor especifique) ..... \$ \_\_\_\_\_

**Total del valor de bienes del hogar** ..... \$ \_\_\_\_\_

Yo / nosotros acordamos proporcionar a la Ciudad evidencia satisfactoria de lo anterior como condición para comprar una Unidad de Vivienda Inclusiva en el fraccionamiento Monte Bella Fase 5B.

Bajo pena de perjurio, los firmantes de este documento, de forma conjunta y solidaria, declaramos y garantizamos que la información contenida en este documento es verdadera y correcta según nuestro leal saber y entender.

\_\_\_\_\_  
Firma del Solicitante

\_\_\_\_\_  
Fecha

\_\_\_\_\_  
Firma del Solicitante

\_\_\_\_\_  
Fecha

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**ANEXO G**  
**ACUERDO DE RESTRICCIÓN DE ESCRITURA PARA LA REVENTA**

**SAMPLE**

**INCLUSIONARY HOUSING  
RESALE DEED RESTRICTION AGREEMENT**

This Resale Deed Restriction Agreement, hereinafter referred to as Agreement, is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the City of Salinas, hereinafter referred to as City, and \_\_\_\_\_, hereinafter referred to as Owner, in accordance with City of Salinas Ordinance No. 2178 (N.C.S.) establishing Inclusionary Housing Requirements and City of Salinas Resolution No. 14618 (N.C.S.) establishing Inclusionary Housing Program Guidelines which are incorporated herein by reference and made a part of this Agreement.

**THIS PROPERTY IS SUBJECT TO COVENANTS, CONDITIONS AND RESTRICTIONS DESIGNED TO ASSURE AFFORDABLE HOUSING FOR LOW INCOME HOUSEHOLDS EARNING 80% OR LESS THAN THE AREA MEDIAN INCOME. IN ORDER TO ASSURE THE AFFORDABILITY OF THE HOUSING BEING CREATED BY THIS AGREEMENT, THESE COVENANTS, CONDITIONS AND RESTRICTIONS REGULATE THE BELOW MARKET VALUE OF SPECIFIED UNITS AND RESTRICT THE SALE AND OCCUPANCY THEREOF. THESE RESTRICTIONS ARE BINDING UPON PURCHASERS, ENCUMBRANCERS, AND THEIR SUCCESSORS AND ASSIGNS. THESE COVENANTS, CONDITIONS AND RESTRICTIONS SHOULD BE CAREFULLY READ AND FULLY UNDERSTOOD BEFORE PURCHASING OR ENCUMBERING THE PROPERTY, AS THE SALE OR OCCUPANCY OF THE UNITS IN VIOLATION OF THE PROVISIONS HEREIN MAY CAUSE LEGAL ACTION TO BE TAKEN BY THE CITY OF SALINAS TO ENFORCE THE PROVISIONS AGAINST THE VIOLATOR AND SUBJECT THE VIOLATOR TO THE PAYMENT OF ATTORNEYS FEES AND COSTS OF SUCH ENFORCEMENT.**

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- SECTION 2 - ADMINISTRATION & FEE
- SECTION 3 - NOTICING REQUIREMENTS
- SECTION 4 - OCCUPANCY
- SECTION 5 - REFINANCING
- SECTION 6 - PROPERTY TRANSFER
- SECTION 7 - RIGHT OF FIRST REFUSAL
- SECTION 8 - PROHIBITED TRANSFER
- SECTION 9 - RESALE PRICE/COST DETERMINATION
- SECTION 10 - TERM OF RESTRICTION
- SECTION 11 - DEFAULT AND FORECLOSURE

SECTION 12 - DISTRIBUTION OF INSURANCE AND  
CONDEMNATION PROCEEDS

SECTION 13 - SEVERABILITY

SECTION 14 - CONTRADICTORY AGREEMENTS

SECTION 15 - LEGAL COSTS

**Section 1. Property Description**

The real property which is the subject of this Agreement, herein after referred to as Residence, is described as **Lot** \_\_\_\_ **Block** \_\_\_\_ as shown on that certain map entitled “\_\_\_\_\_”, in the office of the Monterey County Recorder of the County of Monterey, State of California. The property is commonly known as \_\_\_\_\_ (Inclusionary Unit).

**Section 2. Administration**

The City shall ensure compliance with this Agreement. The City may designate an administrator to carry out its responsibilities under this Agreement. Upon initial sale of each Residence, Owner shall pay City, or its designated administrator, a fee of \$1,000 per Residence for the administration of this Agreement. In addition, the Owner shall reimburse City, or its designated administrator, for out of pocket procurement costs incurred as a result of the administration of this Agreement. This administration fee shall be paid by the Owner prior to the close of escrow for the initial sale of each Residence.

**Section 3. Noticing Requirements**

All notices shall be personally delivered or sent by certified mail.

Notice to the City shall be addressed to the Planning Manager, City of Salinas, 65 W. Alisal Street (2<sup>nd</sup> Floor), Salinas, CA 93901.

Notice to the Administrator shall be addressed to Planning Manager until such time as the City provides another address for Administrator.

Notice to the Owner shall be addressed to the Residence address as described in Section 1 of this Agreement.

**Section 4. Occupancy**

Owner must occupy the Residence as his/her principal place of residence. Owner shall not lease, rent, sublet, or otherwise assign his/her interest in the Residence, except the Residence may be leased for limited periods of time, subject to written approval by the administrator, when the Owner is required to live elsewhere and expects to return within one year. Only households earning no more than eighty percent (80%) of the Area Median Income, adjusted for family size, at the time of the lease, as defined in the Agreement, shall be eligible to lease the Residence. The City shall determine eligibility of applicants for lease of Residence and the monthly lease amount shall not exceed the Owner's housing costs. For purposes of determining eligibility and maximum allowable lease amount, the provisions in the Agreement shall apply.

**Section 5. Refinancing**

The terms of all refinancing secured by the property must be approved by the City, with the exception of refinancing of the first mortgage loan wherein no additional cash is taken out other than the loan costs.

## **Section 6. Property Transfer**

Any transfer of interest or title in the Residence shall be subject to the conditions set forth in this Agreement. Transfer shall mean any voluntary or involuntary sale, except as outlined in Section 11 of this Agreement, assignment or transfer of ownership of the Residence or of any interest in the Residence, including but not limited to, a fee simple interest, joint tenancy interest, life estate, leasehold interest including any rental of the premises, or any interest evidenced by a land contract by which physical possession of the Residence is transferred and Owner retains title. Any transfer without satisfaction of the conditions of this Agreement shall be deemed a Prohibited Transfer, as defined in Section 8 of this Agreement.

## **Section 7. Right of First Refusal**

Upon intent to sell the property, Owner shall first offer the Residence for sale to the City or its assignee by delivering a written "Notice of Intent to Sell" to the City. City or its assignee shall have forty-five (45) calendar days from receipt of the Owner's "Notice of Intent to Sell", to accept or refuse the offer. If the City accepts the offer, escrow shall close within ninety (90) days from receipt of the "Notice of Intent to Sell".

In no event shall City become in any way liable to Owner, nor become obligated in any manner, by reason of the assignment of its right to purchase, nor shall City be in any way obligated or liable to Owner for any failure of City's assignee to consummate a purchase of the premises or to comply with the terms of any purchase and sale agreement. The following transfers of title or any interest therein are not subject to the right of first refusal provisions of this deed: transfer by gift, devise, or inheritance to owner's spouse or issue; taking of title by surviving joint tenant; transfer of title to spouse as part of annulment, divorce, dissolution or separation proceedings; acquisition of title or interest therein in conjunction with marriage; provided, however, that these covenants shall continue to run with the title to Residence following said transfer.

In the event the City or its assignee does not accept the Owner's offer to sell within forty-five (45) days from the receipt of "Notice of Intent to Sell", Owner may sell the residence subject to the following requirements:

- A. The City shall determine the Resale Price in accordance with Section 9 of this Agreement.
- B. The Owner shall provide the City with a written "Notice of Sale of Residence" prior to the sale of the Residence. Prior to such sale, City shall determine the eligibility of the proposed buyer in accordance with the requirements of this Agreement.
- C. The new buyer shall occupy the residence as the principal place of residence; the buyer may not earn more than eighty percent (80%) of the Area Median Income.
- D. Owner (Seller) shall enter into a purchase and sale agreement which contains provisions establishing eligibility requirements consistent with this Agreement. The subsequent buyer shall, prior to close of escrow, execute an agreement with the City in a form prescribed by the City, under the terms of which the new buyer shall assume the obligations and duties and agree to be bound by the restrictions of this Agreement. Said agreement shall be made part of the deed to be recorded upon sale of transfer of interest in the Residence.

## **Section 8. Prohibited Transfer**

If the City receives a notice of sale or transfer of the Residence determined by the City to be in violation of this Agreement, the City shall give written "Notice of Prohibited Transfer" to the Owner, specifying the nature of the violation. If the violation is not corrected to the satisfaction of the City within fourteen (14) calendar days after the date of the "Notice of Prohibited Transfer", or within such further time as City determines is necessary to correct the violation, City may declare a default under this Agreement. Upon the declaration of a default, under this Agreement, the City may apply to a court of competent jurisdiction for such relief as may be appropriate.

## **Section 9. Resale Price/Cost Determination**

Closing costs and title insurance shall be paid pursuant to the terms of the purchase agreement between the Owner (Seller) and the Buyer (Transferee). Seller shall bear the expense of providing a current written report of an inspection by a licensed Structural Pest Control Operator. All work recommended in said report to repair damage caused by infestation or infection of wood-destroying pests or organisms found, and all work to correct conditions that caused infestation or infection shall be done at the expense of the Seller. Any work to correct conditions usually deemed likely to lead to infestation or infection of wood-destroying pests or organisms, but where no evidence of infestation or infection is found with respect to such conditions, is not the responsibility of the Seller, and such work shall be done only if requested by the Buyer, and then at the expense of the Buyer. The Buyer shall be responsible for payment of any prepayment fees imposed by any lender by reason of the sale or escrow and for any fee as may be otherwise provided by mutual agreement of Buyer and Seller.

The maximum resale price of the Residence shall be established by the City and shall be as follows:

The original purchase price (base price), plus an amount, if any, to compensate for any percent increase in the Area Median Income, for the complete years the Owner has owned the unit. For this purpose, the Area Median Income prevailing on the date of the purchase by the Owner (Seller) shall be compared with the Area Median Income in effect on the date of receipt by the City of a "Notice of Intent to Sell".

The percentage increase in the Area Median Income, if any, shall be computed and the base price shall be increased in the same percentage; provided, however, that the price shall in no event be lower than the purchase price paid by the selling Owner.

This adjusted price shall be increased by the value (as determined by the City), of:

- A. Any substantial structural or permanent fixed improvements which cannot be removed without substantial damage to the Residence or substantial or total loss of value of said improvements.

No improvements shall be deemed substantial unless the actual initial cost thereof to the Owner exceeds one percent (1%) of the purchase price paid by the Owner for the Residence.

- B. Any reasonable cost of any replaced, inoperative or otherwise deteriorated permanently affixed appliances, fixtures, or equipment which were acquired as part of the Residence by Owner.
- C. Any expenditure made pursuant to a mandatory assessment levied by the City or a homeowner's association for the development in which the Residence is located, whether levied for improvements or maintenance to the premises, the common area, or related purposes.

- D. Any negative amortization on the selling Owner's FHA-insured graduated payment mortgage encumbering the Residence.
- E. Sales commission up to six percent (6%) of the final sales price which is paid by the selling Owner pursuant to a written agreement with a licensed real estate broker.

No adjustment shall be made for the value of any improvements, fixtures or equipment unless the Owner received written approval from the City prior to improving the property or replacing any fixture or equipment. The City will generally approve the improvements or replacement of fixtures, or equipment unless the City expects such action to result in the Residence becoming unaffordable to eligible buyers.

No adjustment shall be made for the value of any improvements or replacement unless the Owner presents to the City valid written documentation of the cost of said improvements or replacements.

Any resale price determined by the increase in Area Median Income as defined above shall be decreased by an amount which compensates for deferred maintenance costs, which amount shall be determined as follows: Upon receipt of "Notice of Intent to Sell", the City shall be entitled to inspect the Residence. The City or its designee shall have an opportunity to determine whether any violations of applicable building, plumbing, electric, fire or housing codes exist. The cost for the inspection shall be at Owner's (Seller) expense. In the event deficiencies are noted, the Owner shall obtain estimates which shall be approved by the City, to cure the observed deficiencies. The Owner shall cure the deficiencies in a reasonable manner acceptable to City within sixty (60) days of being notified of the results of the inspection, but in no event later than close of escrow. Should Owner fail to cure such deficiencies prior to the scheduled date of close of escrow, at the option of City, escrow may be closed, title passed and money paid to the selling Owner subject to the condition that such funds as are necessary to pay for curing such deficiencies (based upon City approved estimates obtained by Owner) shall be withheld from the money due the selling Owner and held by the escrow holder for the purpose of curing such deficiencies. The Buyer (Transferee) shall cause such deficiencies to be cured and upon City certification of completion of work, escrow holder shall utilize such funds to pay for said work. Any remaining funds shall be paid to the selling Owner. No other payment shall be due said Owner.

#### **Section 10. Term of Restriction**

The terms and conditions set forth in this Agreement shall run with the land and shall bind Owner and all successors, heirs, grantees and assigns, both voluntary and involuntary. Except as otherwise noted in Section 11 of this Agreement, the terms of this Agreement shall be made part of each deed subsequently recorded and shall bind each successor in interest for a period of thirty (30) years from the date of the recordation of the deed restriction.

#### **Section 11. Default and Foreclosure**

A request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering said premises shall name the City, and its designated administrator, if applicable, as the recipient of said notice and shall be recorded by the Owner in the Office of the Recorder of the County of Monterey, CA. Any notice of default given pursuant to California Civil Code Section 2924b shall constitute a "Notice of Intent to Sell" hereunder, and the City or its assignee, may exercise its preemptive right to purchase pursuant to the provisions of this Agreement, provided however, that, notwithstanding any language contained in this Agreement to the contrary with regard to the rights of the lien holder, the City, or its assignee, must complete such purchase no later than the end of the period established by California Civil Code Section 2924c for reinstatement of a monetary default under the deed of trust or mortgage.

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

In the event the City, or its assignee, elects not to exercise its right to purchase upon default, and a foreclosure sale is consummated, any surplus proceeds to which the Owner may be entitled following foreclosure under California State law shall be paid as follows: After any required payment of encumbrances, that portion of surplus, if any, up to but not exceeding the net amount that the Owner would have received after any required payment of encumbrances under the formula set forth in Section 9 of this Agreement had the City exercised its right to purchase the Residence on the date of the foreclosure sale, shall be paid to the Owner on the date of the foreclosure sale; the balance of surplus, if any, shall be paid to the City, or its successors or assigns.

In the event that the City, or its assignee, does not elect to purchase the Residence pursuant to the provisions of this Section and the Residence is transferred through foreclosure, deed-in-lieu of foreclosure to the primary lender, or assigned to the Secretary of HUD under 24 CFR 203.650 et. seq., the subsequent bona fide purchaser for value shall take title to the Residence free from any and all restrictions contained in this Agreement.

#### **Section 12. Distribution of Insurance and Condemnation Proceeds**

In the event that the Residence is destroyed and insurance proceeds are distributed to Owner instead of being used to rebuild, or in the event of condemnation, if proceeds thereof are distributed to Owner, any surplus proceeds so distributed remaining after payment of encumbrances of said Residence shall be distributed as follows: that portion of the surplus up to but not to exceed the net amount that Owner would have received under the formula set forth in Section 9 of this Agreement had Residence been transferred on the date of the destruction or condemnation valuation date, shall be distributed to Owner, and the balance of such surplus, if any, shall be distributed to City or its successors or assigns.

#### **Section 13. Severability**

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or

provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

#### **Section 14. Contradictory Agreements**

Owner covenants that he/she shall not, and will not execute any other agreement with provisions contradictory or in conflict with the provisions hereof, and that, in any event, Owner understands and agrees that this Agreement shall control the rights and obligations between and among the parties and respective successors.

#### **Section 15. Legal Costs**

Owner agrees to pay the City, and its designated administrator, if applicable, for all court costs and attorney's fees in the event legal action is undertaken to enforce this Agreement.

If awarded, City's attorney fees shall be calculated at the market rate.

IN WITNESS THEREOF, the parties have executed this Agreement as of the date first written above.

**CITY OF SALINAS:**

BY: \_\_\_\_\_  
City Manager

\_\_\_\_\_ Date

**RESIDENCE OWNER:**

\_\_\_\_\_  
Buyer:

\_\_\_\_\_ Date

\_\_\_\_\_  
Buyer:

\_\_\_\_\_ Date

*Note: Owner signatures must be acknowledged by a Notary Public.*

**APPROVED AS TO FORM:**

BY: \_\_\_\_\_  
City Attorney

**End of Covenant**

