REAL PROPERTY LEASE

This Real Property Lease ("Lease") is entered into on January 14, 2025 (the "Effective Date") by and between the County of Nevada ("Landlord") and the Nevada County Housing Development Corporation, ("Tenant"), collectively referred to as the "Parties".

RECITALS

- A. California Assembly Bill No. 1618 (Chapter 43, Statutes of 2016), as amended by AB 1628, (Chapter 322, Statutes of 2016, effective September 13,2016), and the 2018 No Place Like Home Act (AB 1827, Assembly Budget Committee) establishes the No Place Like Home (NPLH) funding program setting forth specific guidelines to implement, interpret and develop NPLH projects to awarded proposals. Unless otherwise provided in the guidelines, multifamily rental housing projects of five or more units underwritten by the State Department of Housing and Community Development (HCD) are also subject to HCD's current Uniform Multifamily Regulations (URMs). The NPLH program is intended to provide housing for individuals and families who are experiencing homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations ("Target Population").
- B. The California Department of Housing and Community Development (HCD) awarded NPLH funding to be used for the rehabilitation of the Ranch House Complex pursuant to the NPLH grant program guidelines. These funds were accepted by the Board of Supervisors under Resolution 21-054.
- C. Landlord is the owner of all certain real property comprised of 10.45+/- acres located at 16782 State Highway 49 (APN# 004-140-067-000) in County of Nevada, State of California. Demonstrated in Exhibit B titled Deed Ranch Property. Landlord desires to lease a portion of the Premises referred to as the Ranch House Supportive Housing site, attached as Exhbit A showing the highlighted section of the property as the boundary of the Ranch House Supportive Housing site. tto Tenant and Tenant desires to lease this portion of the Premises from Landlord on the terms and provisions of this Lease.
- D. Landlord's mission is to provide decent and safe housing to low-income individuals and families, and Landlord has agreed to lease the Ranch House Supportive Housing Leasehold to Tenant in furtherance of creating permanent housing opportunities for eligible individuals in accordance with NPLH guidelines.
- E. As material consideration for Landlord entering into this Lease, Tenant has agreed to operate 6 units of service-enriched housing to eligible Nevada County residents who are homeless or at risk of homelessness as described as living without a fixed permanent residency in the Nevada County area in accordance with the agreement of the parties as set forth in this Lease, including without limitation Section 3.02 of this Lease hereinbelow.
- F. This Lease is in the public interest and shall provide a public benefit.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein,

the Parties mutually agree as follows:

ARTICLE 1. LEASE OF PREMISES AND TERM OF LEASE

Agreement to Lease

Section 1.01. For and in consideration of the rents to be paid and covenants to be performed by Tenant under this Lease, Landlord hereby agrees to lease the Ranch House Supportive Housing to Tenant, and Tenant agrees to lease the Ranch House Supportive Housing Premises from Landlord, on the terms and conditions set forth in this Lease. Except as expressly otherwise provided in this Lease, the Leaseincludes the real property plus improvements, future improvements, and any appurtenances and easements described in Exhibit "A" of this Lease. The Parties acknowledge that Landlord has provided Tenant with all inspection reports prepared on behalf of Landlord as purchaser of the Premises, and that Tenant has completed its own due diligence investigations of the Premises. Tenant acknowledges and agrees that Tenant is aware of all defects reasonably known to Landlord, and as identified through Tenant's own due diligence, and that any known material facts affecting the value and desirability of the Premises have been made, including any disclosures required to be made by Landlord to Tenant under law with regard to the condition, quality, and status of the premises.

Status of Title

Section 1.02. Title to the Leasehold estate created by this Leasehold Agreement is subject to all exceptions, easements, rights, rights-of-way, and other matters of record as set forth in Exhibt B, attached hereto.

Term of Lease

Section 1.03. The term of this Lease shall be for a period commencing on the date of execution of this Lease and continuing to June 30, 2025 thereafter (the "Term"), unless terminated earlier as provided in this Lease.

ARTICLE 2. RENT

Rent

Section 2.01. Commencing on the Effective Date and continuing to June 30 2025oTenant agrees to pay Landlord rent in the amount of \$1.00. All such unpaid amounts of Annual Rent shall continue to accrue from year to year until paid and shall in all events be due and payable in full upon the termination of this Lease unless sooner paid each Payment Date.

Payments

Section 2.02. All payments to Landlord required under this Lease shall be paid to Landlord by wire transfer or by check at such place that Landlord may designate by written notice to Tenant.

ARTICLE 3. USE OF LEASEHOLD

Compliance With Laws

Section 3.01. Tenant shall, at Tenant's own cost and expense, comply with all applicable statutes, ordinances, regulations, and requirements of all governmental entities, both federal and state and county or municipal, relating to any use and occupancy of the Leasehold (and specifically not

limited to any particular use or occupancy by Tenant), whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted. If any license, permit, or other governmental authorization is required for the lawful use or occupancy of the Ranch House Supportive Housing leasehold Pr, Tenant shall procure and maintain such license, permit, or other governmental authorization as long as the same is required for the lawful use or occupancy of the Leasehold or any portion of the Leasehold according to the terms and conditions required herein.

Permitted Uses

Section 3.02. Tenant shall only use the Leasehold and Premises for the operation and rehabilitation, if applicable, of a housing complex for persons who are homeless or at-risk of homelessness as described and required in the California Department of Housing and Community Development No Place Like Home NOFA, dated September 27, 2019, the Standard Agreement 20-NPLH-14606 ("Standard Agreement") between the County of Nevada and the Department of Housing and Community Development (HCD), dated August 12, 2020, which are each enforceable obligations of Landlord and made part of this Lease by this reference as though fully set forth herein. Specifically, Tenant shall use the premises to provide housing for individuals and families experiencing homelessness, or at risk of experiencing homelessness, or Target Population, according to the terms and conditions of this Lease and the "rehabilitation and operation agreements" identified above. Tenant shall not use or permit the Leasehold or any portion of the Leasehold to be improved, developed, used, or occupied in any manner or for any purpose that is in any way in violation of Section 42 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, or any valid law, ordinance, or regulation of any federal, state, county, or local governmental agency, body or entity. Furthermore, Tenant shall not maintain, commit or permit the maintenance or commission of any nuisance as now defined by any statutory or decisional law applicable to the Leasehold or any part of the Leasehold.

ARTICLE 4. TAXES AND UTILITIES

County to Pay Taxes

Section 4.01County shall pay during the Term, without abatement, deduction, or offset, any and all real and personal property taxes, general and special assessments and other charges (including any increase caused by a change in the tax rate or by a change in assessed valuation) of any description levied or assessed during the Term by any governmental agency or entity on or against the Leasehold Estate and Premises, the Improvements located on the Leasehold, personal property located on or in the Leasehold or Improvements, and the Leasehold Estate.

Utilities

Section 4.01. Tenant shall pay or cause to be paid, and hold Landlord and the property of Landlord including the Leasehold free and harmless from, all charges for the furnishing of gas and/or propane, water, sewer, electricity, telephone service and other public utilities to the Leasehold

Estate and Leasehold during the Term and for the removal of garbage and rubbish from the Leasehold during the Term.

ARTICLE 5. CONSTRUCTION BY TENANT

Compliance With Law and Standards

Section 5.01. Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

Mechanics' Liens

Section 5.02. At all times during the Term, Tenant shall keep the Leasehold and all Improvements now or hereafter located on the Leasehold free and clear of all liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Leasehold. Notwithstanding the foregoing or anything to the contrary contained in this Lease, Tenant shall not be deemed to be in breach of this provision for failing to remove any such lien if the lien in question shall attach solely to the Leasehold. Moreover, Tenant shall not be deemed to be in breach of this provision for failing to remove any such lien if the lien in question is contested by Tenant or Tenant's contractors or agents in good faith and, upon request of Landlord, has posted security reasonably acceptable to Landlord.

Zoning and Use Permits

Section 5.03. Should it be necessary to obtain any use permit, variance, or rezoning of the Premises and/or Leasehold in order to operate or rehabilitate the Ranch House Supportive Housing, Landlord agrees to execute any documents, petitions, applications, and authorizations that may be necessary or appropriate for the operation of the Ranch House Supportive Housing and hereby appoints Tenant as Landlord's attorney in fact to execute in the name and on behalf of Landlord, subject to Landlord's review and approval, any such documents, petitions, applications or authorizations.

Ownership of Improvements

Section 5.04. Title to all Improvements, including, without limitation, the Improvements in furtherance of the operation of the Premises as a Ranch House Supportive Housing, to be rehabilitated on the Leasehold by Tenant shall remain with Landlord. Tenant shall surrender the Improvements to Landlord at the expiration of the Term or earlier termination of this Lease, free and clear of all liens and encumbrances, other than those, if any, permitted under this Lease or otherwise created or consented to by Landlord. Tenant agrees to execute, acknowledge, and deliver to Landlord any instrument requested by Landlord as necessary in Landlord's opinion to perfect Landlord's right, title and interest to the Improvements and the Leasehold. Notwithstanding anything to the contrary in this Lease, any and all depreciation, amortization and/or federal or state tax credits relating to the Improvements and all additions thereto shall be exclusively for the benefit of Tenant while the Lease is in effect.

ARTICLE 6. ENCUMBRANCE OF LEASEHOLD ESTATE

Tenant's Right to Encumber

Section 6.01. Tenant shall not, at any time and from time to time during the Term, encumber the Leasehold Estate with (a) a deed of trust or mortgage or other security instrument, without the express written consent of Landlord. Landlord shall have no liability under any encumbrance of the Leasehold Estate by Tenant, and Tenant shall indemnify and hold harmless Landlord from any such claims.

ARTICLE 7. REPAIRS AND RESTORATION

Maintenance by Tenant

Section 7.01. At all times during the Term Tenant shall, at Tenant's own cost and expense, keep, repair and maintain the Leasehold, all Improvements and all appurtenances (including parking and landscaped areas) now or hereafter on the Leasehold.

Requirements of Governmental Agencies

Section 7.02. At all times during the Term, Tenant, at Tenant's own cost and expense, shall:

- (a) Make all alterations, additions or repairs to the Leasehold or the Improvements on the Leasehold required by any valid law, ordinance, statute, order or regulation now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity;
- (b) Observe and comply with all valid laws, ordinances, statutes, orders and regulations now or hereafter made or issued respecting the Leasehold or the Improvements on the Leasehold by any federal, state, county, local or other governmental agency or entity;
- (c) Contest if Tenant, in Tenant's sole discretion, desires by appropriate legal proceedings brought in good faith and diligently prosecuted in the name of Tenant, or in the names of Tenant and Landlord when appropriate or required, the validity or applicability to the Leasehold of any law, ordinance, statute, order or regulation now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity; provided, however, that any such contest or proceeding, though maintained in the names of Tenant and Landlord, shall be without cost to Landlord, and Tenant shall protect the Leasehold and Landlord from Tenant's failure to observe or comply during the contest with the contested law, ordinance, statute, order or regulation;
- (d) Indemnify and hold Landlord and the property of Landlord, including the Leasehold, free and harmless from any and all liability, loss, damages, fines, penalties, claims and actions resulting from Tenant's failure to comply with and perform the requirements of this Section.

Tenant's Duty to Restore Leasehold

Section 7.02. If at any time during the Term, the Ranch House Supportive Housing premise or Improvements shall be partially or totally damaged or destroyed by fire or other casualty, with reasonable dispatch after the damage or destruction and the collection of the insurance proceeds (if any) attributable to such, Tenant shall repair the damage to and restore and rebuild the damaged

portion of the Leasehold and any item installed therein by Tenant and any of Tenant's fixtures, furniture, furnishings and equipment. Any work of repair and restoration shall be done in accordance with the requirements for original construction work on the Leasehold set forth in Article 5 of this Lease. No total or partial damage to or destruction of any or all of the Ranch House Supportive House location Apartment Complex or any Improvements shall entitle Tenant to surrender or terminate this Lease, or shall relieve Tenant from its liability hereunder to pay in full the Annual Rent and all other sums and charges which are otherwise payable by Tenant hereunder, or from any of its other obligations hereunder, and Tenant hereby waives any right now or hereafter conferred upon it by statute or otherwise, on account of any such damage or destruction, to surrender this Lease, to quit or surrender any or all of the Leasehold, or to have any suspension, diminution, abatement or reduction of the Annual Rent or other sum payable by Tenant hereunder (except that, if and to the extent that Landlord has, on account of any such Annual Rent or other sum, received for its own account the proceeds of any rent insurance pursuant to the provisions of this Lease, Tenant shall be entitled to a credit therefor against its obligations hereunder to pay such Annual Rent and other sums, by applying such credit toward the unpaid installments of Annual Rent in the order in which they fall due hereunder).

ARTICLE 8. INDEMNITY AND INSURANCE

Indemnity Agreement

Section 8.01. Tenant shall indemnify and hold Landlord, its board, officers, directors, agents, managers, employees, mortgages and any other parties designated by Landlord as additional insureds (collectively, "Landlord's Additional Insureds") and the property of Landlord that constitutes the Leasehold free and harmless from any and all liability, claims made by parties other than Landlord, Landlord Additional Insureds or their respective Affiliates ("Third Party Claims"), loss, damages or expenses actually incurred by Landlord and resulting from Tenant's occupation and use of the Leasehold and any Improvements thereon, specifically including, without limitation, any liability, Third Party Claim, loss, damage or expense arising by reason of:

- (a) The death or injury of any person, including Tenant or any person who is an employee or agent of Tenant, renter, lessee, licensee, client, or guest of Tenant, or by reason of the damage to or destruction of any property, including property owned by Tenant or by any person who is an employee or agent of Tenant, from any cause whatever while that person or property is in or on the Leasehold or in any way connected with the Leasehold or with any of the Improvements or personal property on the Leasehold;
- (b) The death or injury of any person, including Tenant or any person who is an employee or agent of Tenant, renter, leasee, licensee, client, or guest of Tenant, or by reason of the damage to or destruction of any property, including property owned by Tenant or any person who is an employee or agent of Tenant, caused or allegedly caused by either (1) the condition of the Leasehold or some building or improvement on the Leasehold, or (2) some act or omission on the Leasehold of Tenant or any person in, on, or about the Leasehold with the permission and consent of Tenant;

- (c) Any work performed on the Leasehold or materials furnished to the Leasehold at the instance or request of Tenant or any person or entity acting for or on behalf of Tenant; or
- (d) Tenant's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Tenant or the Leasehold by any duly authorized governmental agency or political subdivision;

other than, in each of instances described in the foregoing clauses (a) through (d), as a result of the gross negligence or willful misconduct of Landlord.

Insurance Requirements - General

Section 8.02. Tenant shall procure and maintain for the duration of the Lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation and use of the leased premises. The cost of such insurance shall be borne by the Tenant. Coverage shall be at least as broad as:

- (a) **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- (b) **Workers' Compensation**: Insurance as required by the State of California with Statutory Limits, and Employer's Liability Insurance with limits of no less than **\$1,000,000** per accident for bodily injury or disease.
- (c) **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Tenant has no owned autos, Code 8 (hired) and 9 (nonowned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- (d) **Property Insurance**: Insurance against all risk of loss, except fire can be excluded, to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

If the Tenant maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

Insurance Requirements – Other Insurance Provisions

Section 8.03. The insurance policies are to contain, or be endorsed to contain, the following provisions:

(a) The Landlord, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant including materials, parts, or

equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Tenant. General Liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10, CG 20 25, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

- (b) For any claims related to this project, the Tenant's, or subtenant's, insurance coverage shall be primary and non-contributory insurance coverage at least as broad as IAO CG 20 01 04 13 as respects the Landlord, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Landlord, its officers, officials, employees, or volunteers shall be excess of the Landlord's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.
- (c) The Tenant may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Tenant's primary and excess liability policies are exhausted.
- (d) The property insurance is to be endorsed to include Legal Liability Coverage (ISO Form CP 00 40 04 02 or equivalent) with a limit equal to the replacement cost of the leased property.
- (e) Each insurance policy requirement by this clause shall provide that coverage shall not be canceled, except with notice to the Landlord.
- (f) Tenant hereby agrees to waive rights of subrogation which any insurer of Tenant may acquire from Tenant by virtue of the payment of any loss. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Landlord for all work performed by the Tenant, its employees, agents, and subcontractors.
- (g) Self-Insured Retentions must be declared and approved by the Landlord. The Landlord may require the Tenant and/or Sub-Contractor(s) to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the Landlord. The CGL and any policies, including Excess Liability Policies, may not be subject to a self-insured retention (SIR) or deductible that

exceeds \$25,000 unless approved in writing by the Landlord. Any and all deductibles and SIRs shall be the sole responsibility of Tenant or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Partied. The Landlord may deduct from any amounts otherwise due Tenant to fund the SIR/deductible. Policies shall not contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named Insured. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. The Landlord reserves the right to obtain a copy of any policies and endorsements for verification.

- (h) Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A:VII, unless otherwise acceptable to the Landlord.
- (i) Tenant shall furnish the Landlord with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. The Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. Landlord reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
- (j) Tenant shall require and verify that all subtenants maintain insurance meeting all requirements stated herein, and Tenant shall ensure that the Landlord is an additional insured on insurance required from subtenants. For CGL coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.
- (k) The Landlord reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

ARTICLE 9. CONDEMNATION

If any legally, constituted authority condemns the Premises or such part thereof which shall make the Leased Premises unsuitable for Tenant's business and operations, this Lease shall terminate at the option of the Tenant. If only part of the Leased Premises is taken and the remainder of the Leased Premises is sufficient for the conduct of Tenant's business and operations, then the Lease shall continue, at Tenant's option, as to the part not taken. Termination of the Lease in accordance with this paragraph shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

ARTICLE 10. ASSIGNMENT AND SUBLEASING

Tenant's Right to Assign and Sublease

Section 10.01. Only upon the prior written consent of Landlord, which may be withheld at Landlord's sole discretion, shall Tenant have the right to assign and/or sublease all or any portion of the Leasehold. Excepting therefrom any and all lease/rental/housing/program participation agreements and contracts necessary between Tenant (NCHDC) and those persons qualifying for services, necessary to execute the purpose and mission of this agreement as defined in this Lease, including those requirements set forth herein at ARTICLE 3. USE OF LEASEHOLD Section 3.02. Any such participation and/or tenant agreements shall not exceed the term of this Real Property Lease Agreement.

ARTICLE 11. DEFAULT AND REMEDIES

Breach or default

Section 11.01. In the event of any act or omission of Tenant constituting a breach or default by Tenant, Landlord shall not exercise any remedy until Landlord has given Tenant notice of such act or omission, and thirty (30) days to remedy such act or omission shall have elapsed following receipt of such notice.

Waiver of Breach or default

Section 11.02. The waiver by Landlord of any breach or default by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach or default by Tenant of either the same or a different provision of this Lease.

Right to Terminate

Section 11.03 If condition of default shall continue for more than thirty (30) days after written notice of default, Landlord may give notice of its selection to terminate this Agreement. Such election to terminate shall not be construed as a waiver of any claim Landlord may have against Tenant, consistent with such termination.

Surrender of Leasehold

Section 11.03. On expiration or earlier termination of this Lease, Tenant shall surrender the Leasehold and all Improvements in or on the Leasehold to Landlord in compliance with all laws and in a good, safe and clean condition as practicable, reasonable wear and tear excepted.

ARTICLE 12. MISCELLANEOUS

Annual Reporting and Inspection

Section 12.01. Tenant shall, upon request of Landlord, submit reports required of Landlord to comply with No Place Like Home (NPLH) and other applicable reporting requirements in a form satisfactory to Landlord, which shall include certification by Tenant that the operation of the NPLHsite is in compliance with the Real Property Lease Agreement, including tenant eligibility,

income requirements, rents, maintenance and repairs, and tenancy rates and vacancy rates. Upon reasonable request, Tenant shall permit representatives of Landlord to enter and inspect the Leasehold and the Project during regular business hours to verify compliance with the Real Property Lease Agreement.

Force Majeure

Section 12.02. Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either Landlord or Tenant is prevented or delayed by reason of any act of God, strike, lockout, labor trouble, inability to secure materials, restrictive governmental laws or regulations, or any other cause (except financial inability) not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused. However, nothing contained in this section shall excuse the prompt payment of rent by Tenant as required by this Lease or the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act.

Attorneys' Fees

Section 12.03. Should any litigation be commenced between the parties to this Lease concerning the Leasehold, this Lease, or the rights and duties of either in relation thereto, the party prevailing in that litigation shall be entitled, in addition to any other relief that may be granted in the litigation, to a reasonable sum as and for that party's attorneys' fees and costs in that litigation that shall be determined by the court in that litigation or in a separate action brought for that purpose.

Notices to Landlord

Section 12.04. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to Landlord by Tenant shall be in writing and shall be deemed duly served and given when personally delivered to Landlord, to any managing employee of Landlord, or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Landlord at 950 Maidu Avenue, Nevada City CA, 95959, Attn. Chief Information Officer. Landlord may change Landlord's address for the purpose of this section by giving written notice of that change to Tenant in the same manner provided herein.

Notices to Tenant

Section 12.05. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to Tenant by Landlord shall be in writing and shall be deemed duly served and given when personally delivered to Tenant, any managing employee of Tenant, or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Tenant at Nevada County Housing Development Corporation PO Box 5216 Auburn CA 95604 Attn. Chief Executive Officer. Tenant may change its address for the purpose of this section by giving written notice of that change to Landlord in the same manner provided herein.

Binding on Heirs and Successors

Section 12.06. This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto, but nothing in this section shall be construed as a consent by Landlord to any assignment of this Lease or any interest in this Lease by Tenant except as provided in Article 10 of this Lease.

Partial Invalidity

Section 12.07. If any provision of this Lease is held by a court of competent jurisdiction to be either invalid, void or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.

Sole and Only Agreement

Section 12.08. This instrument constitutes the sole and only agreement between Landlord and Tenant respecting the Leasehold, the leasing of the Leasehold to Tenant, and the lease terms set forth in this Lease, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the Leasehold, their leasing to Tenant by Landlord, or any other matter discussed in this Lease not expressly set forth in this instrument are null and void.

Time of Essence

Section 12.09. Time is expressly declared to be of the essence of this Lease.

Memorandum of Lease for Recording

Section 12.10. Landlord and Tenant shall execute a memorandum of this Lease for purposes of, and in a form suitable for, recordation concurrent with the execution of this Lease. The memorandum of this Lease shall describe the Parties, set forth a description of the Leasehold, specify the Term, and incorporate this Lease by reference.

Governing Law

Section 12.11. This lease shall be in all respects be governed, construed, applied and enforced in accordance with the laws of the State of California.

SIGNATURES ON FOLLOWING PAGE

EXECUTED this as of the day and year first set forth above.

<u>LAND</u>	<u>LORD</u>	<u>:</u>
COUN	TY OF	NEVADA
By:	Hardy	Bullock Chair, Nevada County Board of Supervisors
ATTES	ST:	
By:	Clerk o	of the Board of Supervisors
APPRO	OVED A	AS TO FORM
By:	County	Counsel
<u>TENA</u>	NT:	
Nevada	a Count	y Housing Development Corporation, a California nonprofit 501(c)(3)
By: Ne		ounty Housing Development Corporation, stered California Nonprofit organization
		By: Name: Jennifer Price Its: Chief Executive Officer
	By: Name: Its:	Secretary

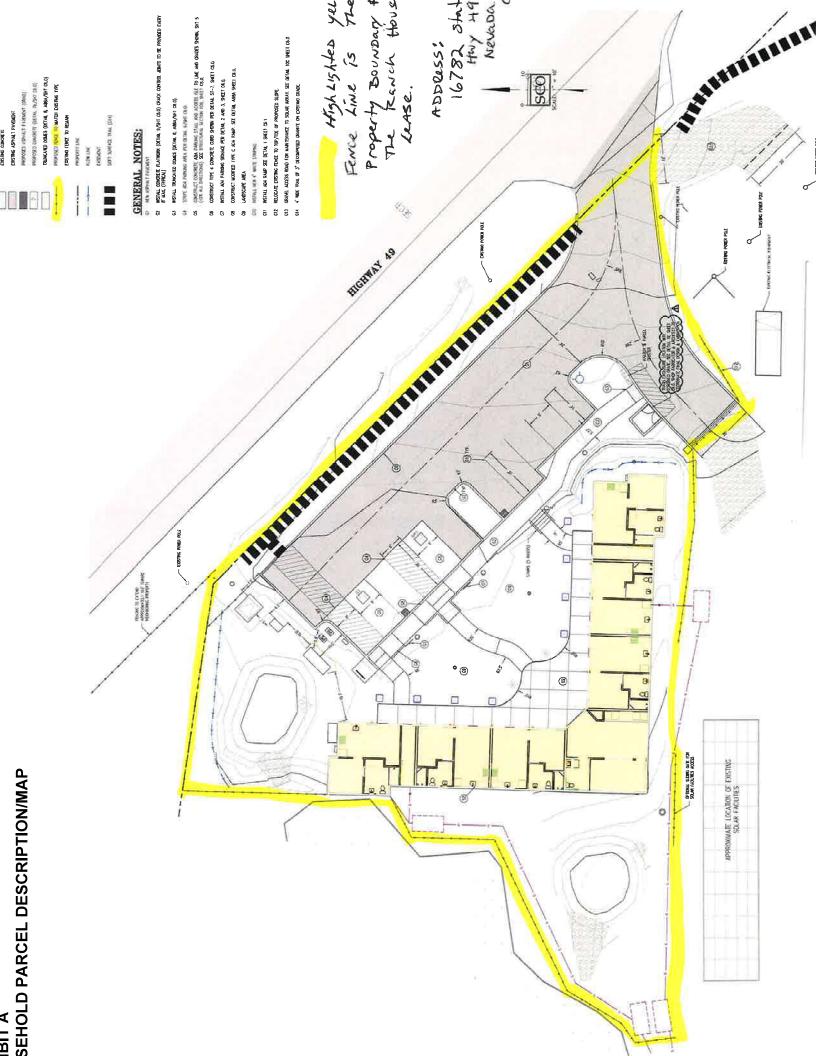


EXHIBIT B

PRELIMINARY TITLE REPORT

Issued by First American Title Company

[SEE ATTACHED]

RECORDING REQUESTED BY

Placer Title Company

Escrow Number: 1501-15308-GK

AND WHEN RECORDED MAIL TO

COUNTY OF NEVADA 950 MAIDE AUENLE NEVADA CLTY CA 95959

ATTN: Tom Coburn

A.P.N.: 04-140-67

Nevada County Recorder Gregory J. Diaz Document#: 20090024659 Friday September 11 2009, at 08:00:00 AM

Transfer tax:\$330.00 Paid: \$330.00 JR Placer Title Co

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$330.00 City Transfer Tax: \$0.00

ael a sial

(X) computed on full value of property conveyed, or

() computed on full value less value of liens and encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, MICHAEL A. DIAL , AN UNMARRIED MAN

Hereby GRANT(S) to COUNTY OF NEVADA, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF NEVADA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR FULL LEGAL DESCRIPTION

Dated: September 08, 2009

MICHAEL A DIAL

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name

Street Address

City & State

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STATE OF CALIFORNIA COUNTY OF COUNTY	
On 9-8.09 before me, 69 K	/ / ^/ (-, Notary Public,
personally appeared Michael A. Dis	a/ X
who proved to me on the basis of satisfactory evidence to be the instrument and acknowledged to me that he/she/they executed by his/her/their signature(s) on the instrument the person(s), or executed the instrument.	I the same in his/her/their authorized capacity(ies), and that
I certify under PENALTY OF PERJURY under the laws of the Scorrect.	State of California that the foregoing paragraph is true and
WITNESS my hand and official seal. Signature: Commission Expiration Date:	G. A. KING COMM. #1668889 NOTARY PUBLIC - CALIFORNIA NEVADA COUNTY My Comm. Expires June 12, 2010

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name

Street Address

City & State

EXHIBIT "A" LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF NEVADA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

THE SURFACE TO A DEPTH OF 50 FEET OF THAT CERTAIN PORTION OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.B.&M., LYING WEST OF THE DOWNIEVILLE HIGHWAY, DESCRIBED AS FOLLOWS:

COMMENCING AT A FENCE CORNER AT THE NORTHWEST CORNER FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 11 BEARS NORTH 1 DEGREES 58 MINUTES WEST 808.90 FEET AND RUNNING THENCE NORTH 84 DEGREES 33 MINUTES EAST 124.18 FEET TO THE WEST SIDE OF THE DONWNIEVILLE HIGHWAY; THENCE ALONG HIGHWAY SOUTH 45 DEGREES 23 MINUTES EAST 1043.82 FEET; THENCE SOUTH 44 DEGREES 37 MINUTES WEST 585.42 FEET TO THE SOUTHEAST CORNER; THENCE NORTH 45 DEGREES 23 MINUTES WEST 597.40 FEET TO FENCE; THENCE ALONG FENCE NORTH 2 DEGREES 58 MINUTES WEST 719.40 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED DECEMBER 31, 1941, IN BOOK 77 OF OFFICIAL RECORDS, PAGE 47.

ALSO EXCEPTING THEREFROM ALL THAT PORTION GRANTED TO MICHAEL A. BYRNE, ET UX, IN DEED RECORDED MAY 15, 2003 SERIES NO. 2003-0025168 OFFICIAL RECORDS OF NEVADA COUNTY, DESCRIBED AS FOLLOWS:

A PORTION OF THE NORTHWEST ONE-QUARTER OF SECTION 11, TOWNSHIP 16 NORTH, RANGE 8 EAST, M.D.B.&M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED IN DEED TO TUCKER RECORDED IN VOLUME 966 AT PAGE 334 OF THE OFFICIAL RECORDS OF NEVADA COUNTY, A POINT ON THE WEST LINE OF SAID SECTION 11 MARKED BY A 5/8" REBAR TAGGED RCE 17403; THENCE ALONG SAID WEST LINE, SOUTH 02 DEGREES 22 MINUTES 10 SECONDS EAST 219.49 FEET; THENCE LEAVING SAID WEST LINE, SOUTH 81 DEGREES 43 MINUTES 00 SECONDS EAST 356.39 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF STATE HIGHWAY 49; THENCE ALONG SAID SOUTHWESTERLY LINE, NORTH 45 DEGREES 19 MINUTES 00 SECONDS WEST 387.01 FEET TO THE SOUTHEAST CORNER OF SAID TUCKER PARCEL, MARKED BY A 5/8" REBAR TAGGED RCE 17403; THENCE ALONG THE SOUTH LINE OF SAID TUCKER PARCEL, SOUTH 89 DEGREES 00 MINUTES 37 SECONDS WEST 86.59 FEET TO THE POINT OF BEGINNING.

APN: 04-140-67

TOGETHER WITH AN EASEMENT FOR OPEN SPACE PURPOSES AS DISCLOSED BY DOCUMENT RECORDED MAY 15, 2003 SERIES NO. 2003-25171, OFFICIAL RECORDS.

CERTIFICATE OF ACCEPTANCE (Government Code, Section 27281)

THIS IS TO CERTIFY that the County of Nevada, Grantee in the attached grant deed dated **September 8, 2009**, from **Michael Dial to County of Nevada**, acting through its designated official, by authority granted by **Resolution No. 09-399** and by action taken by the Board of Supervisors, hereby accepts for public purposes the real property, or interest therein, conveyed by the subject deed and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and had affixed the County's official seal, this 9th day of September, 2009.

ATTEST:

Clerk of the Board

COUNTY OF NEVADA

Hank Weston

Chair, Board of Supervisors



RESOLUTION No. UT

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION TO AUTHORIZE THE PURCHASE OF A 10.45 ACRE PARCEL AND RESIDENTIAL DWELLING (APN 04-140-67) LOCATED AT 16782 STATE HIGHWAY 49, NEVADA CITY, CA, FROM MICHAEL DIAL AND TO AMEND THE FY 2009-2010 COUNTY BUDGET (4/5 VOTE REQUIRED).

WHEREAS, on August 11, 2009 following a public hearing, the County accepted the offer of \$300,000, plus 50% of the closing costs, for the purchase of 10.45 acres and a residential dwelling located at 16782 State Highway 49, Nevada City, CA (APN 04-140-67) from Michael Dial of Grass Valley, CA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada that:

- 1. The purchase of a 10.45 acre parcel and residential dwelling unit located at 16782 State Highway 49, Nevada City, CA (APN 04-140-67) in the amount of \$300,000 plus 50% of the closing costs is approved.
- 2. Mr. Steve Monaghan, Chief Information Officer, is authorized to execute any or all documents required on behalf of the County to consummate this real property transaction.
- 3. The Board Chair is authorized to accept conveyance of the deed and execute the certificate of acceptance on behalf of the County for recordation purposes.
- 4. The Auditor-Controller is directed to reduce the 2009-10 Facilities Planning Designation of the General Fund by \$300,000 plus \$10,000 for closing costs, to increase the General Fund Contingency by \$310,000, and to amend the FY 2009-2010 County Budget as follows:

Decrease:

0101-10212-272-1000 570000 General Fund Contingency

\$310,000

Increase:

0101-10801-416-1000 540300

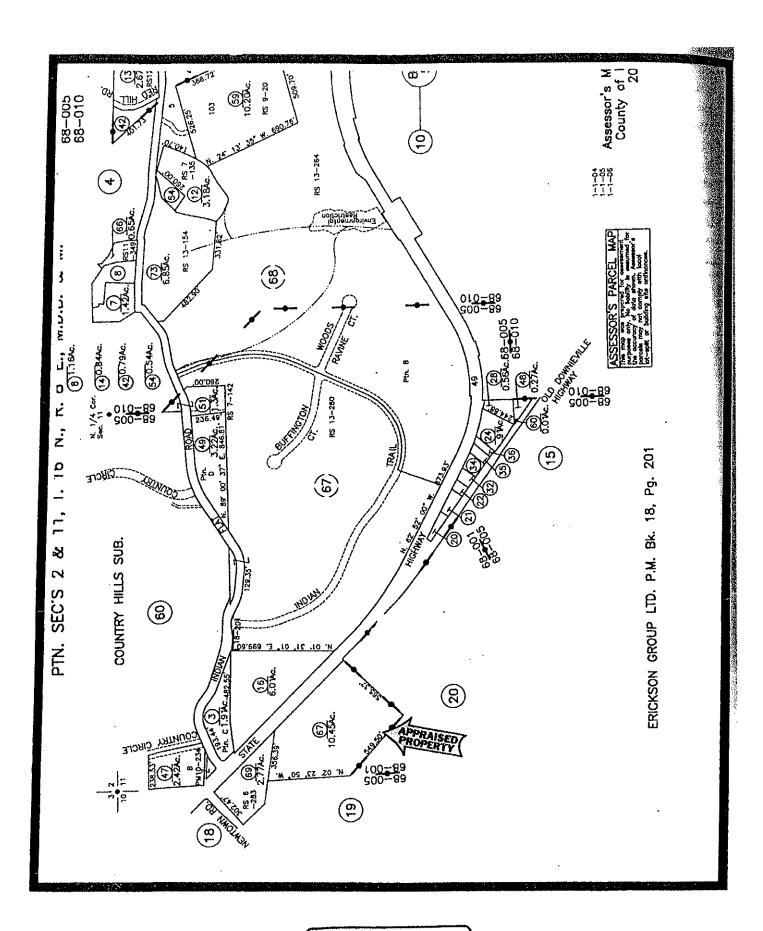
Buildings & Improvements

\$310,000

PASSED AND ADOPTED by the Board of said Board, held on the11th by the following vote of said Board:		County of Nevada at a regular meeting of day of August, 2009, Nate Beason, Ed Scofield, er, Hank Weston & Ted S. Owens.
ATTEST:	Absent:	None.
CATHY R. THOMPSON Clerk of the Board of Supervisors) By Atlast. Inny	Abstain: Hank DATE 8/14/09	None. Hawk Wasten Chair COPIES SENT TO IGS*

DATE	COPIES SENT TO			
8/14/09	IGS*			
	A-C*			
	CEO			
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Plat Map