



SANTA BARBARA
COMMUNITY HOUSING CORPORATION

Providing Santa Barbara with Affordable Housing Since 1975

April 7, 2014

Mr. David Rowell
Project Planner
City of Santa Barbara
Community Development Department
630 Garden Street
Santa Barbara, CA 93101

Re: Modification of Loan Agreement for 625-627 Coronel Place, Santa Barbara, California

Dear David;

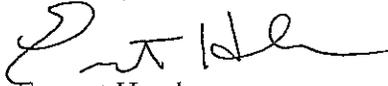
Pursuant to your previous discussions with Ms. Cynthia Young, Santa Barbara Community Housing Corporation would like to request the following modifications to the Loan Agreement for the real property identified as 625-627 Coronel Place, Santa Barbara, California.

1. The Loan Agreement shall be extended for a period of thirty (30) years, due on July 17, 2044;
2. Beginning January 1, 2015 the monthly payment shall be \$4,525.00, or the RDA calculated payment, whichever is greater;
3. The reserve account will be adjusted to ten percent (10%) of the Annual Gross Rental Income (the current reserve amount is six (6%) percent);
4. Current Bond financing will be paid in full on November 15, 2020, thereafter beginning December 1, 2020, SBCHC will pay \$9,525.00 per month, or the RDA calculated payment, whichever is greater.
5. Any request by SBCHC that the City of Santa Barbara consent to the subordination of all City owned debt and covenants to conventional financing, shall not be unreasonably withheld.
6. The following statement shall be added to Section 6 – Public Benefit of the Covenants: (d) If the household's certified income exceeds 120% of the median income, upon expiration of the household's lease and upon ninety days written notice, the rent may be increased to one-twelfth (1/12) of thirty percent (30%) of the household's adjusted income. The maximum rent will not exceed the HUD published fair market rent for the year the tenant is over 120% of median income.

The cooperation of the City of Santa Barbara will allow for the continued financial viability of the project and ensure that Santa Barbara Community Housing Corporation has the ability to provide well maintained affordable housing for an additional thirty years.

Thank you for your anticipated cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Emmet Hawkes". The signature is fluid and cursive, with a large initial "E" and a long, sweeping tail.

Emmet Hawkes
Executive Director