

**RESOLUTION NO. OB 14-13**

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY AUTHORIZING THE SUCCESSOR AGENCY TO EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE FRESNO COUNTY HOUSING AUTHORITY FOR PURCHASE OF THE "P" STREET PROPERTIES**

**WHEREAS**, the Oversight Board to the Successor Agency to the Firebaugh Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Firebaugh Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the California Health and Safety Code; and

**WHEREAS**, among the duties of successor agencies under the Dissolution Act is the preparation of a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency for consideration by a local oversight board and California Department of Finance ("DOF"); and

**WHEREAS**, the Long-Range Property Management Plan for the Firebaugh Successor Agency was approved by the Oversight Board on September 19, 2013 and by DOF on February 10, 2014; and

**WHEREAS**, the Long-Range Property Management Plan identified two adjacent properties located on "P" Street known as Assessor Parcel Numbers 008-075-11 and 008-075-03 (collectively the "P Street Properties") as assets of the Successor Agency that the Successor Agency wishes to sell; and

**WHEREAS**, the Successor Agency drafted and issued a Request for Proposals ("RFP") using the Property Disposition Procedures to solicit offers and plans for the disposition and development of the P Street Properties; and

**WHEREAS**, the Successor Agency received two proposals in response to the RFP (included herewith as Exhibit A); and

**WHEREAS**, Successor Agency Staff reviewed the proposals and selected the Fresno County Housing Authority's Gateway Project as the top proposal; and

**WHEREAS**, at their meeting on August 18, 2014, the Successor Agency Board reviewed the proposals and agreed with Staff's analysis of the proposals; and

**WHEREAS**, The Successor Agency recommends the Oversight Board select the Gateway Project proposal as the top proposal; and

**WHEREAS**, the Oversight Board concurs with the Successor Agency's analysis and recommendation and desires to authorize the Successor Agency to accept the Fresno County Housing Authority's offer of \$360,000 to purchase the P Street properties with the condition that the Fresno County Housing Authority must agree to pay all applicable tenant relocation costs and take full administrative responsibility for the process; and

**WHEREAS**, the Oversight Board desires to authorize the Successor Agency to execute the Purchase and Sale Agreement included in the Gateway Project proposal (also included herewith Exhibit B) so long as it is amended to include a section on tenant relocation costs.



**NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FIREBAUGH REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**SECTION 2.** The Successor Agency issued a Request for Proposals to seek proposals for purchase and development of two properties included in the Successor Agency's Long Range Property Management Plan, the P Street Properties.

**SECTION 3.** The Successor Agency received and reviewed two proposals submitted in response to the Request for Proposals and selected the Fresno County Housing Authority's proposal as the top proposal.

**SECTION 4.** The Oversight Board hereby authorizes the Successor Agency to accept the Fresno County Housing Authority's purchase offer of \$360,000 contingent upon the Fresno County Housing Authority agreeing to accept all financial and administrative responsibility for relocation of existing tenants on the property.

**SECTION 5.** The Oversight Board hereby authorizes the Successor Agency to execute the Fresno County Housing Authority's Purchase and Sale Agreement (included herewith as Exhibit B) as long as the Purchase and Sale Agreement is amended to state that the Fresno County Housing Authority will pay all costs associated with relocation of the current tenants residing on the P Street Properties and take full responsibility for the executing the relocation.

**SECTION 6.** The Oversight Board Secretary shall certify to the adoption of this Resolution.

**PASSED, APPROVED and ADOPTED** at a special meeting of the Oversight Board to the Successor Agency to the City of Firebaugh Redevelopment Agency held this 21<sup>th</sup> day of August, 2014 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

  
Chairperson, Oversight Board

ATTEST:

  
Secretary, Oversight Board



EXHIBIT A

PROPOSALS FOR P STREET PROPERTIES



July 23, 2014

1331 Fulton Mall  
Fresno, California 93721

(559) 443-8400  
TTY (800) 735-2929

[www.fresnohousing.org](http://www.fresnohousing.org)

Kenneth McDonald  
City Manager  
City of Firebaugh  
1133 P Street  
Firebaugh, Ca 93622

Dear Mr. McDonald,

The purpose of this letter is to respond to the RFP issued on June 23, 2014 for the purchase and redevelopment of 1264 and 1238 P Street, a property currently owned by the Successor Agency of the Redevelopment Agency of the City of Firebaugh and the Oversight Board to the Successor Agency ("Successor Agency"). The subject contiguous properties are identified as 1238 P Street, Firebaugh, CA (APN 008-075-03) and 1264 P Street, Firebaugh, CA (APN 008-075-11). On May 29, 2012, the Successor Agency entered into a Disposition and Development Agreement ("DDA") with the Housing Authority of Fresno County to transfer the subject properties for development of a 30 unit affordable senior project and associated community building space known as the "Firebaugh Gateway" project, which was later dissolved. The Fresno Housing Authority obtained development entitlements, completed environmental reviews, prepared architectural plans and secured a \$300,000 Affordable Housing Program grant from the Federal Home Loan Bank of San Francisco.

Please find our attached proposal for your review. The Fresno Housing Authority desires to continue pursuing this much needed project and looks forward to discussions about acquiring the subject properties.

Please feel free to contact me at (559) 443-8475 or via email at [pprince@fresnohousing.org](mailto:pprince@fresnohousing.org). I look forward to a response from the review committee in regards to potential next steps in the acquisition process.

Thank you,



Preston Prince  
CEO/Executive Director  
Housing Authority of Fresno County, California



## **1. DESCRIPTION OF THE PROPOSED PROJECT**



## **FIREBAUGH GATEWAY**

### **PROJECT DESCRIPTION & VISION**

The Fresno Housing Authority is pleased to propose a two-story, affordable, senior housing development with community space in downtown Firebaugh. The project will consist of 30 units (1BR and 2BR) of housing for income-eligible seniors. The subject site consists of two existing parcels (APNs 008-075-03 and 008-075-11) that are each developed with existing multifamily residential dwellings. The proposed project would demolish these buildings and build 30 new senior units. Specifically, the project will be situated along P Street and 13<sup>th</sup> Street. A parking lot will be situated to the rear of the building and will take access from the alley that runs parallel to P Street. This alley connects 13<sup>th</sup> Street in the south to 12<sup>th</sup> Street to the north.

The site design has been developed in concert with community stakeholders and has been refined with input from residents during community meetings. A copy of the discussion documents presented at that meeting is attached in Section 4 of the proposal. The project will target seniors with household incomes from 30%-60% of area median income.

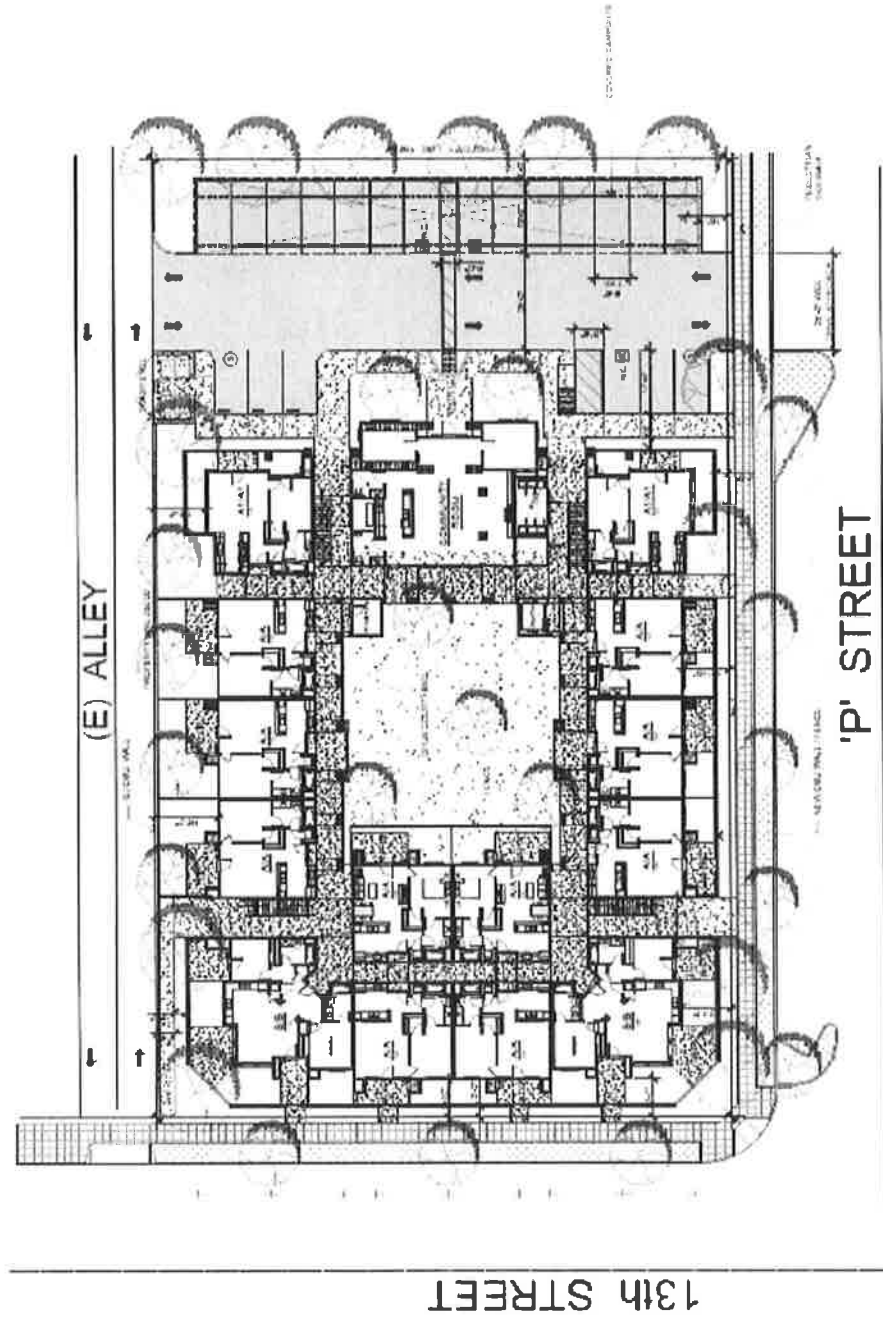
The project will include many amenities including greenspace for the seniors in a landscaped area situated at the rear of the building so that the residents can enjoy the outdoors. The project will also include community space for the seniors and other community members to utilize and enjoy. There will be an on-site property manager to facilitate services for the residents and respond to questions and ideas that may arise. This development will help eliminate a blighted parcel of land within the local neighborhood and provide much needed affordable rental housing for seniors.

**Firebaugh Gateway  
Site Location**



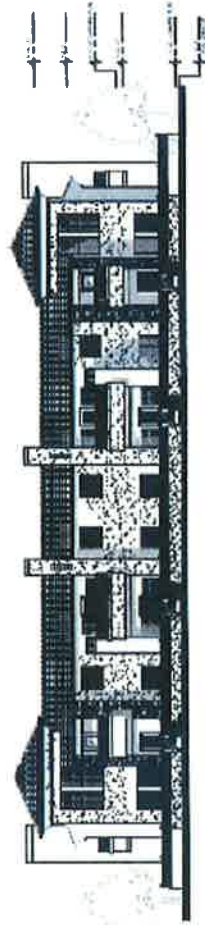


Firebaugh Gateway  
Design Concept - Site Plan

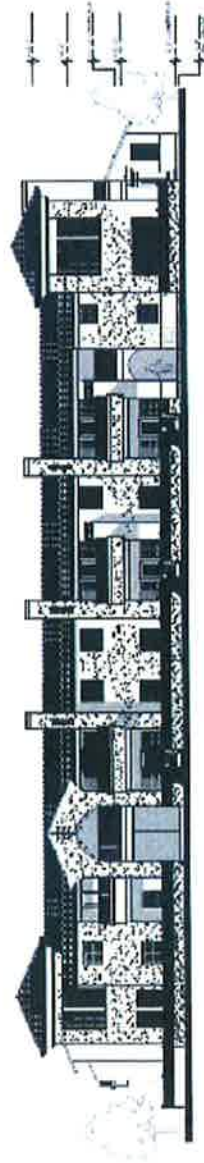




# Firebaugh Gateway Elevations



13th STREET ELEVATION



P STREET ELEVATION



PARKING LOT ELEVATION



## **ENVIRONMENTAL IMPACT AND CITY'S GOALS**

At the August 6, 2012 City of Firebaugh City Council meeting, a Negative Declaration was adopted (Resolution No. 12-50) for the project which concluded the project will not have significant impacts on the environment. In addition and in collaboration with the City of Firebaugh staff, the Fresno Housing Authority successfully completed a general plan amendment and changed the zoning required for the development of the project. The Planning Commission recommended to City Council the following resolutions at its meeting on July 30, 2012.

- Resolution PZ12-07 (adopting the environmental findings of no significance for the project)
- Resolution PZ12-08 (recommending approval of a General Plan land use amendment and a zone change for the site)
- Resolution PZ12-09 (recommending approval of a Density Bonus for the project)
- Resolution PZ12-10 (approving a Conditional Use Permit for construction and operation of the project).

All recommended actions including the zone change and general plan amendment were approved on August 6, 2012 at the City Council meeting (please see attached City Council Resolutions 12-50, 12-51, 12-52). The design of the project will integrate with the local neighborhood which was discussed at the design review meeting with community members on July 25, 2012.

In summary, the project has no potential significant environmental impacts and the project has all the necessary entitlements to move forward.



**CITY OF FIREBAUGH**  
**APPROVED RESOLUTIONS**



**RESOLUTION NO. 12-50**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH ADOPTING  
A NEGATIVE DECLARATION FOR THE GATEWAY PROJECT.**

**WHEREAS**, an application for a General Plan Amendment, Zone Change, Density Bonus and Conditional Use Permit was submitted by Fresno County Housing Authority with the ultimate result being construction and operation of a mixed use project including multiple family residential senior housing and a commercial component. The Assessor Parcel Numbers of the site are 008-075-003 and 008-075-011, and

**WHEREAS**, the applicant's requests include:

1. An amendment of the General Plan's Land Use Map designation from "Medium Density Residential" to "Central Commercial";
2. A zone change to change the zoning of the site from R-2 (Low Density Multiple Family Residential) to C-2 (Central Trading);
3. A Density Bonus to allow for up to four additional dwellings on the site, above the maximum density allowed by the underlying zoning; and
3. A Conditional Use Permit to develop the site with a mixed use residential/commercial project, and

**WHEREAS**, the planning requests are considered a "project" under the Guidelines of the California Environmental Quality Act (CEQA) and accordingly the City has prepared an Initial Environmental Study consistent with CEQA, and

**WHEREAS**, the Initial Environmental Study determined that the proposed project would not result in significant impacts to the environment, and

**WHEREAS**, the City advertised and circulated the Initial Environmental Study for public review and comment, with a closing date of July 17, 2012 for comments to be submitted, and

**WHEREAS**, by the end of the comment period several comment letters were received by the City. None of these letters challenged the proposed adoption of a Negative Declaration, and

**WHEREAS**, some of the recommendations of the comment letters have been included in conditions of approval for the Conditional Use Permit, and

**WHEREAS**, the Planning Commission conducted a public hearing on this item on July 30, 2012 and voted to recommend adoption of the Negative Declaration, and

**WHEREAS**, the Planning Department has prepared a staff report on the project.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council, after considering all the evidence presented, determined the following findings were relevant in evaluating this action:




1. The proposed action is consistent with the goals, objectives and policies of the 2030 Firebaugh General Plan and the Firebaugh Zoning Ordinance.
2. The City has prepared an Initial Environmental Study, consistent with the requirements of CEQA. The study determined the project will not have significant impacts on the environment. Accordingly a Negative Declaration (Attachment "A") has been prepared.
3. The proposed action will not have an adverse impact on the health, safety and welfare of residents in the neighborhood or community

**NOW, THEREFORE BE IT RESOLVED THAT** the Initial Environmental Study prepared for the project and the Negative Declaration as shown in Attachment "A", is hereby adopted by the Firebaugh City Council.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Firebaugh held on the 6<sup>th</sup> day of August, 2012, by the following vote:

AYES:	Council Members	Lowe, Marquez, Sablan,
NOES:	Council Members	DeFrancesco, Lake
ABSTAIN:	Council Members	
ABSENT:	Council Members	

APPROVED:

  
Rod Lake  
Mayor

ATTEST:

  
Rita Lozano  
Deputy City Clerk



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**ATTACHMENT A:**

**CITY OF FIREBAUGH  
NEGATIVE DECLARATION**

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FIREBAUGH PLANNING DEPARTMENT

1133 P STREET

FIREBAUGH, CA 93622

(559) 659-2043

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**PROJECT TITLE:** "Gateway" Project (General Plan Amendment 2012-02; Zone Change 2012-02; Density Bonus 2012-01 Conditional Use Permit 2012-01).  
**APPLICANT:** Housing Authority of Fresno County  
1331 Fulton Mall  
Fresno, CA 93721

**PROJECT LOCATION:** The project site includes two parcels containing 0.86 acres on the west side of P Street, north of 13<sup>th</sup> Street. The Assessor Parcel Numbers are 009-075-003 and 008-075-011.

**PROJECT DESCRIPTION:** The project includes several planning requests including a General Plan Amendment, a Zone Change, a Density Bonus and a Conditional Use Permit to construct and operate a mixed use residential/commercial project on the site.

The General Plan Amendment would amend the Firebaugh General Plan's land use designation of the site from "Medium Density Residential" to "Central Commercial". The Zone Change would amend the zoning from R-2 (Low Density Multi Family Residential) to C-2 (Central Trading).

**FINDINGS OF NO SIGNIFICANCE:**

1. The project does not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.
2. The project does not have the potential to achieve short-term economic gain, to the disadvantage of long-term environmental goals.
3. The project does not have the potential to have impacts that are individually limited but cumulatively considerable.
4. The project will not cause substantial adverse effects on people, either directly or indirectly.

**DETERMINATION:**

On the basis of an initial environmental study and the findings mentioned above, the City of Firebaugh determines that the project will not have a significant impact on the environment

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



**RESOLUTION NO. 12-51**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH  
APPROVING GENERAL PLAN AMENDMENT 12-02  
(GATEWAY PROJECT - HOUSING AUTHORITY OF FRESNO COUNTY).**

**WHEREAS**, a General Plan Amendment and zone change was requested by Fresno County Housing Authority, for two parcels containing a total of approximately 0.86 acres, located on the west side of P Street, north of 13<sup>th</sup> Street in the City of Firebaugh. The Assessor Parcel Numbers are 008-075-003 and 008-075-011, and

**WHEREAS**, the site is currently designated "Medium Density Residential" on the Land Use Map of the 2030 Firebaugh General Plan, and further, the site is zoned R-2 (Low Density Multi Family Residential) on the official zoning map of the City of Firebaugh, and

**WHEREAS**, the applicant is requesting the site be re-designated "Central Commercial" on the Land Use Map of the General Plan, and to be zoned "C-2" (Central Trading), and

**WHEREAS**, the purpose of these amendments is to facilitate construction and operation of a mixed use residential/commercial project, providing affordable multi family residential housing for qualified senior citizens, and

**WHEREAS** the Firebaugh Planning Commission conducted a public hearing on July 30, 2012 to consider these amendments and voted to recommend approval to the City Council, and

**WHEREAS**, property owners within 300 feet of the subject site were notified of the meeting and a public hearing notice was published ten (10) days prior to the City Council's meeting, and

**WHEREAS**, the Planning Department has prepared a staff report and environmental finding, and

**WHEREAS**, the City Council held a public hearing on the General Plan Amendment and accepted testimony.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council, after considering all the evidence presented, determined the following findings were relevant in evaluating this request:

1. The proposed request will not have an adverse impact on the health, safety or welfare of surrounding residents or on the community.
2. The proposed request is consistent with the goals, objectives and policies of the Firebaugh General Plan.



3. The City has conducted an Initial Environmental Study consistent with the requirements of CEQA (California Environmental Quality Act) which found that the proposed project will not have a significant impact on the environment. Accordingly, a Negative Declaration has been prepared for adoption.

4. The property is within Firebaugh's sewer, water and storm drainage service areas.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the City Council hereby approves General Plan Amendment 2012-02, as shown in Map 1.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Firebaugh held on the 6<sup>th</sup> day of August, 2012, by the following vote:


AYES: Council Members Lowe, Marquez, Sablan

NOES: Council Members DeFrancesco, Lake


ABSTAIN: Council Members

ABSENT: Council Members

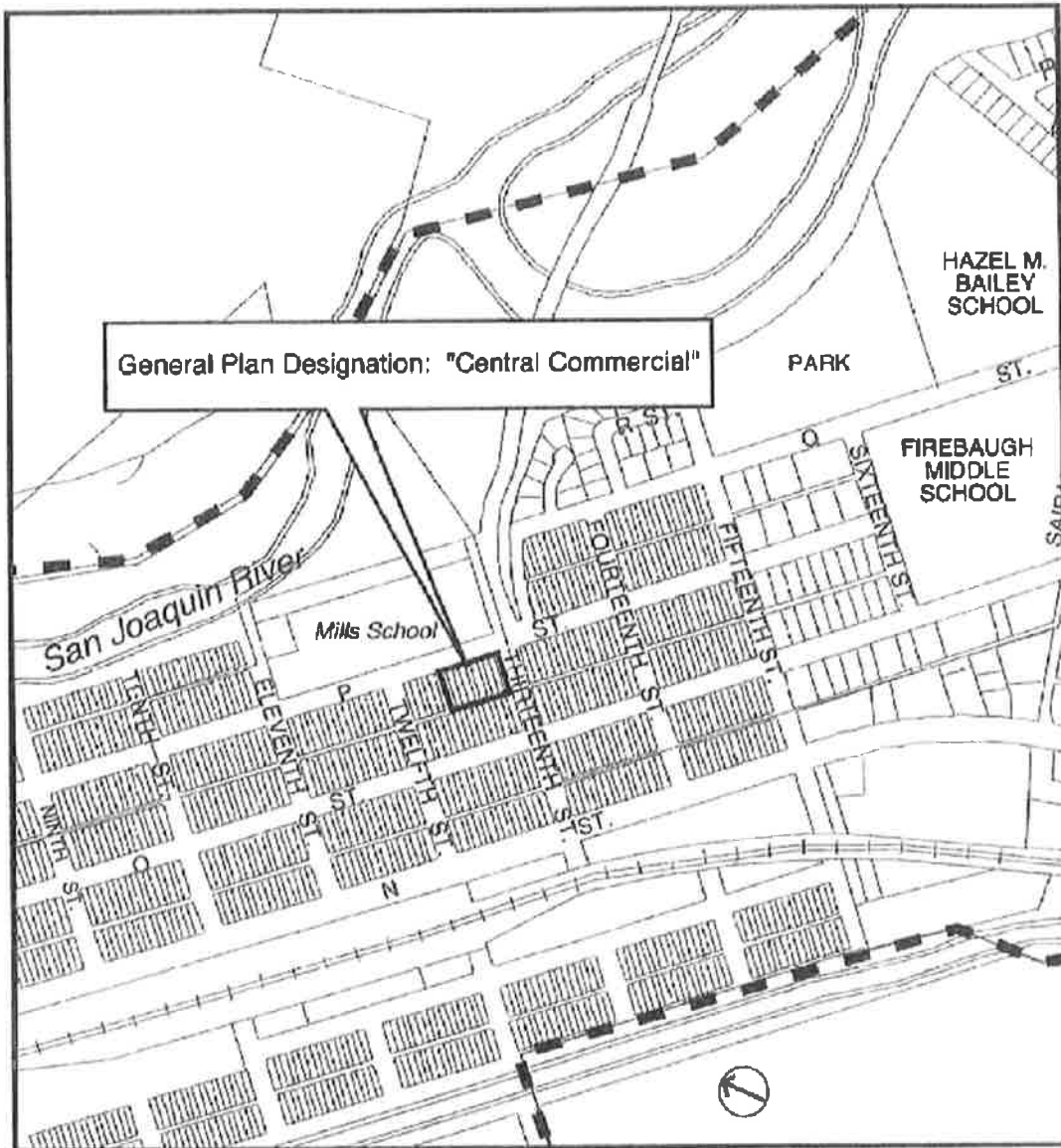
APPROVED:

  
Rod Lake  
Mayor

ATTEST:

  
Rita Lozano  
Deputy City Clerk





Proposed Land Use Designation

Gateway Project

Map 1

City of Firebaugh



**RESOLUTION NO. 12-52**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH APPROVING A  
DENSITY BONUS  
(GATEWAY PROJECT - HOUSING AUTHORITY OF FRESNO COUNTY)**

**WHEREAS**, a request for a Density Bonus was submitted by Fresno County Housing Authority in conjunction with an application for a Conditional Use Permit for an affordable senior citizen's multi-family residential project, for two parcels containing a total of approximately 0.86 acres, located on the west side of P Street, north of 13<sup>th</sup> Street in the City of Firebaugh. The Assessor Parcel Numbers are 008-075-003 and 008-075-011, and

**WHEREAS**, the request is associated with a series of planning approvals, including a General Plan amendment, a zone change, a Conditional Use Permit and environmental review, and

**WHEREAS**, the proposed zoning of the site is C-2 (Central Trading zone). This zone allows multi-family residential development consistent with standards of the R-3 zone (Medium Density Multi Family Residential). The R-3 zone allows a maximum density of one dwelling per 1,500 square feet of lot area. Accordingly, the site (containing 37,500 square feet) would allow up to 25 dwelling units, maximum, and

**WHEREAS**, a request for a density bonus of up to 35 percent (up to nine actual units) above the density permitted under the R-3 zone district, has been applied for consistent with Section 65915 of the State Government Code (Density Bonus Law). The applicant is requesting approval for up to five additional units, and

**WHEREAS**, the project for which the Density Bonus has been applied for meets the criteria outlined in the State's Density Bonus Law in regards to receiving a density bonus, and

**WHEREAS**, the Planning Commission conducted a public hearing to consider this matter on July 30, 2012 and voted to recommend approval of the Density Bonus to the City Council, and

**WHEREAS**, property owners within 300 feet of the subject site were notified of the meeting and a public hearing notice was published ten (10) days prior to the City Council's meeting, and

**WHEREAS**, the Planning Department has prepared a staff report and environmental finding, and

**WHEREAS**, the City Council held a public hearing on the density bonus request and accepted testimony.



**NOW, THEREFORE, BE IT RESOLVED** that the City Council, after considering all the evidence presented, determined the following findings were relevant in evaluating this amendment:

1. The project is consistent with the Firebaugh General Plan, Housing Element.
2. The project will not have a significant impact on the environment and a Negative Declaration has been prepared, consistent with the California Environmental Quality Act.
3. The project will not have an adverse impact on the health, safety or welfare of the neighborhood or community.
4. The project is consistent with the State's Density Bonus Law as detailed in Section 65915 of the State Government Code.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the City Council hereby approves Density Bonus 2012-01, an increase of up to five units over the maximum density allowed by the base zoning standards for the subject project.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Firebaugh held on the 6<sup>th</sup> day of August, 2012, by the following vote:

AYES:	Council Members	Lowe, Marquez, Sablan
NOES:	Council Members	DeFrancesco, Lake
ABSTAIN:	Council Members	
ABSENT:	Council Members	

APPROVED:



Rod Lake  
Mayor

ATTEST:



Rita Lozano  
Deputy City Clerk



## **2. PURCHASE PRICE AND FINANCIAL ASSISTANCE**



## **PURCHASE PRICE OFFER AND FINANCING PLAN**

### ***Offer and Appraisal***

The subject site was appraised on February 14, 2014 by James G. Palmer Appraisal, Inc. The value of the property at the time of appraisal was \$360,000 (please see attached appraisal).

The Fresno Housing Authority is prepared to offer \$360,000 for the parcels subject to the following: the award of low income housing tax credits to complete the financial package and board approval by the Fresno Housing Authority.

### ***Purchase and Sale Agreement***

The attached draft purchase and sale agreement outlines the proposed terms and conditions of the transaction. The draft was provided to the City of Firebaugh on February 19, 2014. We would like to continue discussions and finalize this agreement before our Tax Credit application deadline of March 1, 2015. This Purchase and Sale Agreement would have a closing date of on or before December 31, 2016 to facilitate two additional tax credit applications should the March, 2015 application prove to be not feasible and/or the application is unsuccessful.

The conditions of the agreement include the following:

- Subject to Fresno Housing Authority board approval(s).
- An award of Low Income Housing Tax Credits.
- Satisfactory due diligence as determined by the Buyer.

### ***Financing Plan***

This project is expected to cost \$6.3 million to develop and would be financed utilizing low income housing tax credits (LIHTC) and additional sources from the Fresno Housing Authority or competitive grants initiated by the Housing Authority. The LIHTC program is a competitive program that facilitates a public/private investment and the introduction of an outside financial investor and lenders into the financing plan. Fresno Housing has relationships with many tax credit investors and strong partnerships with investors and lenders such as PNC Bank, Union Bank of California and Rabobank, among others. The projected sources and uses associated with this project are listed below. This is a draft and subject to change.



<b>Pro Forma Sources and Uses</b>		
<b>Sources of Funds</b>	<b>Amount</b>	<b>Per Unit</b>
Low Income Housing Tax Credit		
Equity	\$4,682,372	\$156,079
FH Financing	\$1,550,000	\$51,667
Accrued/Deferred Interest	\$69,466	\$2,316
<b>Total Sources of Funds</b>	<b>\$6,301,838</b>	<b>\$210,061</b>
<b>Uses of Funds</b>	<b>Amount</b>	<b>Per Unit</b>
Acquisition Costs	\$360,000	\$12,000
Construction Costs	\$3,538,386	\$117,946
Hard Cost Contingency	\$175,669	\$5,856
Relocation Costs	\$48,410	\$1,614
Professional Fees	\$357,000	\$11,900
Loan Fees and other Soft Costs	\$1,057,257	\$35,242
Reserves	\$55,009	\$1,834
Developer Fee	\$710,107	\$23,670
<b>Total Uses of Funds</b>	<b>\$6,301,838</b>	<b>\$210,061</b>

Please note that these sources and uses of funds are not yet final. The sources and uses of funds may change.

#### *Developer Financial Capacity, Readiness and Experience*

The Fresno Housing Authority has extensive experience in the development of multi-family and senior affordable housing. Over the last few years, the Fresno Housing Authority has obtained tax credits, the financing and developed fifteen tax credit projects throughout Fresno County. The Fresno Housing Authority obtained development entitlements, completed environmental reviews, prepared architectural plans and secured a \$300,000 Affordable Housing Program grant from the Federal Home Loan Bank of San Francisco for the Firebaugh Gateway project. Specifically, Fresno Housing has recently completed several developments including a senior project in West Fresno known as Bridges at Florence and one underway in the City of Kingsburg.



**Bridges at Florence**  
**Fresno, Ca**  
**Total Development Costs - \$7,031,644**





Fresno Housing also just broke ground on a senior project in the City of Kingsburg. Marion Villas Apartments is a 46 unit affordable housing senior development located east of the 99 freeway at the intersection of Marion Street and Ellis Street near the downtown corridor.

**Marion Villas**  
**Kingsburg, Ca**  
**Total Development Costs - \$9,583,452**





## **PROPERTY APPRAISAL REPORT**



## **APPRAISAL REPORT**



### **LOCATED AT**

1238 & 1264 P St  
Firebaugh, CA 93622

Lots 1-10 inclusive of Block 35 of Firebaugh, Mic. Book 1, Page 13, City of Firebaugh, County of Fresno, State of Cali

### **FOR**

Fresno Housing Authority  
1331 Fulton Mall  
Fresno, Ca 93727

### **AS OF**

February 14, 2014

### **BY**

Gregg J. Palmer, MAI  
James. G. Palmer Appraisals Inc.  
1285 W. Shaw 108  
Fresno, Ca 93711  
559.226.5020



James. G. Palmer Appraisals Inc.  
1285 W. Shaw 108  
Fresno, Ca 93711  
559.226.5020

02/19/2014

Ms. Victoria Vigil  
Fresno Housing Authority  
1331 Fulton Mall  
Fresno, Ca 93727

Re: Property: 1238 & 1264 P St  
Firebaugh, CA 93622  
Borrower: Fresno Housing Authority  
File No.: 8320

Opinion of Value: \$ 360,000  
Effective Date: February 14, 2014

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of the appraisal is to develop an opinion of market value for the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The opinion of value reported above is as of the stated effective date and is contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Gregg J. Palmer, MAI  
James G. Palmer Appraisals Inc.  
License or Certification #: AG002880  
State: California Expires: 04/24/2014



Client	Fresno Housing Authority	File No.	8320
Property Address	1264 P St		
City	Firebaugh	County	Fresno
State	CA	Zip Code	93622
Owner	City of Firebaugh		

## APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☒ **Appraisal Report** (A written report prepared under Standards Rule 2-2(a) pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☐ **Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b) pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

## Comments on Standards Rule 2-3

I certify that to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

**Reasonable Exposure Time** (USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 12 Months or less

## Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

### APPRAISER:

Signature:

Name: Gregg J. Palmer, MAI

State Certification #:

or State License #: AG002880

State: Calif. Expiration Date of Certification or License: 04/24/2014

Date of Signature and Report: 02/19/2014

Effective Date of Appraisal: 02/14/2014

Inspection of Subject: ☐ None ☒ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable): February 14 2014

### SUPERVISORY or CO-APPRAISER (if applicable):

Signature:

Name:

State Certification #:

or State License #:

State: Expiration Date of Certification or License:


Date of Signature:

Inspection of Subject: ☐ None ☐ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable):



**FIRREA / USPAP ADDENDUM**

Client: Fresno Housing Authority	File No. 8320
Property Address: 1264 P St	
City: Firebaugh	County: Fresno State: CA Zip Code: 93622
Owner: City of Firebaugh	
<b>Purpose</b>	
The purpose of the appraisal is to provide an opinion of the market value of the fee simple estate of the land as of the current date.	
<b>Scope of Work</b>	
The assignment is to provide an opinion of the market value of the property. In the valuation process, a personal inspection was made. The property consists of a 37,500 SF parcel of land located in the Firebaugh area. It is noted that the property is improved with a 21 unit apartment complex. The property is vacant at the present time. There has been no income history in several years. In the analysis and preparation of the report, information from various public sources were used. These include but are not limited to the assessors office, the City and County of Fresno website(s), NDCData, Loopnet and Costar or Comps Inc. While the data obtained from these sources is generally reliable and assumed correct, its accuracy and data can not be guaranteed. Please note that these sources are used in this valuation for comparable sales information as well as general information such as lot size, zoning and other physical characteristics. The sales comparison approach will be used in the analysis. No other valuation methods will be used.	
<b>Intended Use / Intended User</b>	
Intended Use: The intended use of the appraisal is to assist the client in analyzing the property associated with an application for grant, bond or tax credit financing.	
Intended User(s): The Housing Authority of the City and County of Fresno and/or its assignees.	
<b>History of Property</b>	
Current listing information: The property is not presently listed for sale.	
Prior sale: Please refer to the addenda section for a complete sales history of the property.	
<b>Exposure Time / Marketing Time</b>	
The exposure time is less than 12 months. The marketing time is 1 to 12 months.	
<b>Personal (non-realty) Transfers</b>	
There are no items of personal property included in the valuation.	
<b>Additional Comments</b>	
<b>Certification Supplement</b>	
1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan. 2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.	
 Appraiser: Gregg J. Palmer, MAI Signed Date: 02/19/2014 Certification or License #: AG002830 Certification or License State: California Expires: 04/24/2014 Effective Date of Appraisal: 02/14/2014	Supervisory Appraiser: Signed Date: Certification or License #: Certification or License State: Expires: Inspection of Subject: <input type="checkbox"/> Did Not <input type="checkbox"/> Enter or Only <input type="checkbox"/> Interior and Exterior



**APPRAISAL REPORT-RESIDENTIAL INCOME PROPERTY**

This form may be used for appraisal of income-producing properties provided the loan request does not exceed \$750,000.

<b>Borrower/Client</b> Fresno Housing Authority		<b>File No.</b> 8320	
<b>Property Address</b> 1234 P St		<b>Map Reference</b> 23420	
<b>City</b> Firebaugh	<b>County</b> Fresno	<b>State</b> CA	<b>Zip Code</b> 93622
<b>Legal Description</b> Lots 1-10 Inclusive of Block 95 or Firebaugh, M.C. Book 1, Page 13, City of Firebaugh, County of Fresno, State of California		<b>Census Tract</b> 0084.01	
<b>Current Sale Price (if applicable)</b> \$		<b>Date of Sale</b>	
<b>Terms of Sale</b>		<b>Loan Requested</b> \$	
<b>Property Rights Appraised</b> <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold (attach completed Lease Analysis FHLMC Form 401)			
<b>Lender</b> Fresno Housing Authority		<b>Lender's Address</b> 1331 Fulton Mall, Fresno, Ca 93727	
<b>Instructions to Appraiser:</b> The purpose of this appraisal is to estimate the current Market Value of the Subject Property. The Definition of Market Value is as set forth in Certification and Statement of Limiting Conditions (FHLMC 439)			
<b>Note:</b> FHLMC/FHMA do not consider the racial composition of the neighborhood to be a relevant factor and it must not be considered in the appraisal			
<b>Other Information</b>			
<b>Appraisal requested from</b> Fresno Housing Authority		<b>Date</b> February 13, 2014 <b>By</b> Victoria Vigil	
<b>Items 1, 2, 4, 5, &amp; 6 are required. Attach additional items and check box if items are considered appropriate for this appraisal or are requested by Lender</b>			
1 <input checked="" type="checkbox"/> Descriptive photographs of subject property		7 <input type="checkbox"/> Map(s)	
2 <input checked="" type="checkbox"/> Descriptive photographs of street scene		8 <input type="checkbox"/> Plot plan or survey	
3 <input type="checkbox"/> Photographs of		9 <input type="checkbox"/> Qualifications of Appraiser	
4 <input checked="" type="checkbox"/> Sketch or floor plan of typical units		10 <input type="checkbox"/> Lease Analysis FHLMC 461 (required if leasehold interest appraised)	
5 <input type="checkbox"/> Owner's current certified rent roll if existing, or pro forma if proposed or incomplete		11 <input type="checkbox"/> Summary of reciprocal agreements with other owners for use of parking, driveways, recreational facilities, private streets, (required if applicable)	
6 <input type="checkbox"/> Owner's income and expense statement or pro forma income and expense statement		12 <input type="checkbox"/>	
13 <input type="checkbox"/>			

<b>Location</b>		<b>OVERALL RATING</b>	
<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	
<b>Build-up</b>	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%
<b>Present land use</b>	<input type="checkbox"/> % Condominiums	<input checked="" type="checkbox"/> 80 % 1-Family	<input type="checkbox"/> 10 % Apartments
<b>Change in present land use</b>	<input type="checkbox"/> 10 % Commercial	<input type="checkbox"/> %	
<b>Property values</b>	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
<b>Housing demand/supply</b>	<input checked="" type="checkbox"/> In balance	<input type="checkbox"/> Shortage	<input type="checkbox"/> Oversupply
<b>Predominant occupancy</b>	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant	<input type="checkbox"/> % Vacant
<b>Condominium:</b>	Price range \$ to \$	Predominant \$	
<b>Single Family:</b>	Age yrs to yrs	Predominant yrs	
<b>Typical apartment</b>	Price range \$80,000 to \$150,000	Predominant \$100,000	
	Age 0 yrs to 70 yrs	Predominant 30 yrs	
	Type Walkup	No. Stories 2	
	No. Units 40	Condition Fair/Average	
	Floor Levels <input type="checkbox"/> increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		
<b>Estimated neighborhood apartment vacancy rate</b> 5 % <input type="checkbox"/> Decreasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Increasing		<b>Rent Controls</b> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (comments on page 4 if Yes)	
<b>Describe any incompatible land uses and overall property appeal and maintenance level</b> There are no incompatible land uses in the area. Properties vary in quality and condition from fair to average.			
<b>Describe any oversupply of units in area by type and rental</b> There are no oversupply of units in the area.			
<b>Describe any shortage of units in area by type and rental</b> There are no shortages of units in the area.			
<b>Describe potential for additional units in area considering land availability, zoning, utilities, etc.</b> The market is of sufficient size to allow for additional units. There is available land and local municipalities are encouraging development.			
<b>Is population of relevant market area of sufficient size, diversity and financial ability to support subject property and its amenities?</b> No <input type="checkbox"/> If yes, specify			
<b>Describe any probable changes in the economic base of neighborhood which would favorably or adversely affect apartment rents (e.g., employment centers, zoning)</b> There are no expected or probable changes in the economic base of the neighborhood.			
<b>General comments including either favorable or unfavorable elements not mentioned (e.g., public parks, view, noise, parking congestion)</b> None			

<b>Dimensions</b> 250' x 150'		<b>Area</b> 37,500 Sq. ft. or Acres	
<b>Zoning</b> (classification, uses and densities permitted) R-37 Multifamily Residential			
<b>Highest and best use</b> <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other (specify)		<b>Present Improvements</b> <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations	
<b>Electricity</b>	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Service <input type="checkbox"/> Individual	<b>Street</b> <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private	<b>Ingress and Egress (Adequacy)</b> Good (Corner Orientation)
<b>Gas</b>	<input checked="" type="checkbox"/>	<b>Surface</b> <input checked="" type="checkbox"/> Asphalt <input type="checkbox"/>	<b>Topography</b> Level & Above Street
<b>Water</b>	<input checked="" type="checkbox"/>	<b>Storm Sewer</b> <input checked="" type="checkbox"/>	<b>View Amenity</b> Residential
<b>Sanitary Sewer</b>	<input checked="" type="checkbox"/>	<b>Curb &amp; Gutter</b> <input checked="" type="checkbox"/>	<b>Drainage and Flood Conditions</b> None
<b>Sidewalk</b>	<input checked="" type="checkbox"/>	<b>Sidewalk</b> <input checked="" type="checkbox"/>	
<b>Underground Electricity &amp; Telephone</b>	<input checked="" type="checkbox"/>	<b>Stairs/Lights</b> <input checked="" type="checkbox"/>	
<b>Is the property located in a HUD identified Special Flood Hazard Area?</b> No			
<b>COMMENTS</b> (including any easements or encroachments or any nonconforming uses) of present improvements: The property has a corner orientation and is typical for the area. It is similar to other parcels in the neighborhood.			



DESCRIPTION OF IMPROVEMENTS	<input checked="" type="checkbox"/> Existing    Approx. Year Built <b>1980</b> Proposed <input type="checkbox"/> Under Construction    Elevator <input type="checkbox"/> Walk-up    No. of Stories <b>2</b> Row or Townhouse <input type="checkbox"/>	
	No. of Bldgs <b>3</b> No. of Units <b>21</b> No. of Rooms <b>75</b> No. of Baths <b>21</b> Parking Spaces No. <b>21</b> Type <b>Open/Carport</b>	
	Basic Structural System <b>Wood Frame</b> Exterior Walls <b>Stucco/Wood</b> Roof Covering <b>Composition</b>	
	Interior Walls <b>Sheetrock</b> Floors <b>Carpet/Resilient</b> Bath Floor and Walls <b>Sheetrock</b>	
	Insulation <b>Unknown - Assumed code at time of construction</b> Adequacy <b>Unknown</b> Adequacy and Soundproofing <b>Unknown</b>	
	Heating: <input checked="" type="checkbox"/> Central <input checked="" type="checkbox"/> Indivd.    Type <b>Central &amp; Wall</b> Fuel <b>Gas</b> Condition <b>Fair/Average</b>	
	Air Conditioning: <input checked="" type="checkbox"/> Central <input checked="" type="checkbox"/> Indivd.    Describe <b>Central &amp; Evap</b> Adequacy and Condition <b>Fair/Average</b>	
	Elevator(s): Number <b>0</b> Automatic <input type="checkbox"/> Adequacy and Condition	
	Security Features <b>None</b>	
	Kitchen cabinets, drawers and counter space <input checked="" type="checkbox"/> Adequate <input type="checkbox"/> Inadequate <input checked="" type="checkbox"/> Ranges/Oven <input checked="" type="checkbox"/> Fan/Hood <input type="checkbox"/> Dishwasher <input type="checkbox"/> Disposal <input checked="" type="checkbox"/> Refrigerator <input type="checkbox"/> Washer <input type="checkbox"/> Dryer Hot Water Heater(s) <b>Gas</b> Plumbing Fixtures <b>Kitchen/ Bath/ Laundry/ Yard (Typical)</b> Electrical Service <b>Adequate</b> Recreational Facilities <b>None</b>	<b>OVERALL PROPERTY RATING</b> General appearance of property <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Quality of construction (materials and finish) <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Condition of improvements <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Rooms size and layout <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Closets and storage <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Plumbing-adequacy and condition <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Electrical-adequacy and condition <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Amenities and parking facilities <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Appeal to market <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Effective Age <b>40</b> Yrs.    Estimated Remaining Economic Life <b>10</b> Yrs. COMMENTS: (Special features, functional or physical inadequacies, repairs needed, modernization, etc.) <b>The property consists of an older, vacant multifamily project located in Firebaugh. The facility has been unoccupied for several years. The improvements are in dilapidated condition and should be removed or fully renovated.</b>		

COST APPROACH	<b>LAND SALES</b> (complete ONLY if appropriate for this appraisal)		Zoning	Area	Sales Price	Date	Price per Sq. Ft. or per Unit
	1. 2020 E. Dinuba, Reedley		RM	191,664 sq ft	400,000	8/2013	\$ 2.09 Per SF
	2. 950 E. Church Avenue, Fresno		R-3	43,560 sq ft	200,000	1/2012	\$ 4.55 Per SF
	3. Locust Avenue, Coalinga		R-3	164,221 sq ft	180,000	3/2011	\$ 1.10 Per SF
	Comments & Reconciliation: A value favoring the upper end of the range of sales has been selected due to the size of the project. A value of \$3.00/SF has been selected.						
	Estimated Land Value 37,500 SF * \$3 = \$112,500						
	<b>APARTMENT BUILDING(S)-ESTIMATED REPRODUCTION COST NEW</b>						
	2520.00 X	1.00 =	2,520	Sq. ft. X	1 (Stories) =	2,520 Sq. ft. X \$	100.00 \$ = 252,000
	1976.00 X	1.00 =	1,976	Sq. ft. X	1 (Stories) =	1,976 Sq. ft. X \$	100.00 \$ = 197,600
	8429.00 X	1.00 =	8,429	Sq. ft. X	1 (Stories) =	8,429 Sq. ft. X \$	100.00 \$ = 842,900
OTHER IMPROVEMENTS \$							
TOTAL ESTIMATED COST NEW OF IMPROVEMENTS \$ 1,292,500							
LESS DEPRECIATION 2% per year effective age = 80% Depreciation 80							
DEPRECIATED VALUE OF IMPROVEMENTS \$ 258,500							
ADD-ESTIMATED LAND VALUE \$ 112,500							
INDICATED VALUE BY THE COST APPROACH (W/ FEE SIMPLE) \$ 371,000							
IF LEASEHOLD DEDUCT VALUE OF FEE INTEREST (ATTACH CALCULATIONS) \$							
INDICATED VALUE BY THE COST APPROACH (LEASEHOLD) \$							

COMPARABLE RENTAL DATA	ITEM	COMPARABLE NO. 1				COMPARABLE NO. 2				COMPARABLE NO. 3			
	Address												
	Property to rent, Rent, survey date, Brief description of property improvements												
		No. Units	No. Vacant	Age	Yrs	No. Units	No. Vacant	Age	Yrs	No. Units	No. Vacant	Age	Yrs
Individual unit breakdown	Rm. Count	Size	Monthly Rent		Rm. Count	Size	Monthly Rent		Rm. Count	Size	Monthly Rent		
	Tot. BR	b	Sq. Ft.	\$	Per	Rm	Tot. BR	b	Sq. Ft.	\$	Per	Rm	
Utilities, furniture and amenities included in rent													
Comparison to subject including rental concessions, if any													

Utilities included in actual rents:		<input type="checkbox"/> Water	<input type="checkbox"/> Gas	<input type="checkbox"/> Heat	<input type="checkbox"/> Electric	<input type="checkbox"/> Air Conditioning
Utilities included in forecasted rents:		<input type="checkbox"/> Water	<input type="checkbox"/> Gas	<input type="checkbox"/> Heat	<input type="checkbox"/> Electric	<input type="checkbox"/> Air Conditioning

MONTHLY RENT SCHEDULE SUBJECT	No. of Units		Unit RM Count		Sq Ft Area		No. Units		ACTUAL RENTS		FORECASTED RENTS	
	Tot. BR		b		Tot. Rooms		Per Unit		Per Unit		Per Unit	
							Unfurnished		Furnished		Unfurnished	
TOTAL												



ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3																																																																						
Address	1234 P St Firebaugh, CA 93622	1230 6th Street Mendota, California	5148 E. Hedges Fresno, California	150 N. Calaveras Fresno, California																																																																						
Proximity to subject		8.07 miles SE	41.19 miles E	37.49 miles E																																																																						
Map code	23420																																																																									
Lot size	37500	15000	81457	19000																																																																						
Brief description of building	No. Units: 21 No. Vac. 21 Year Built: 1960	No. Units: 10 No. Vac. 0 Year Built: 1985	No. Units: 56 No. Vac. 56 Year Built: 1872	No. Units: 15 No. Vac. 0 Year Built: 1958																																																																						
Improvements	Old outdated project. Unoccupied.	Newer 10 unit project in Mendota.	Older project in Fresno.	Older smaller project in Fresno.																																																																						
Quality	Fair	Average	Average	Average																																																																						
Condition	Poor	Average	Average	Fair																																																																						
Recreational facilities	None	None	None	None																																																																						
Parking	Open/ Carport	Open	Open	Open																																																																						
Tenant appeal	N/A	Average	Average	Average																																																																						
Zoning	RM-3	R-3	R-3	RM-2																																																																						
Orientation	Corner	Interior	Corner	Multiple																																																																						
Topography	Level	Level	Level	Level																																																																						
Unit breakdown	<table border="1"> <thead> <tr> <th>No. of Units</th> <th colspan="4">UNIT ROOM COUNT</th> </tr> <tr> <th></th> <th>Total</th> <th>BR</th> <th>Bath</th> <th></th> </tr> </thead> <tbody> <tr> <td>12</td> <td>4</td> <td>2</td> <td>1</td> <td></td> </tr> <tr> <td>9</td> <td>3</td> <td>1</td> <td>1</td> <td></td> </tr> </tbody> </table>	No. of Units	UNIT ROOM COUNT					Total	BR	Bath		12	4	2	1		9	3	1	1		<table border="1"> <thead> <tr> <th>No. of Units</th> <th colspan="4">UNIT ROOM COUNT</th> </tr> <tr> <th></th> <th>Total</th> <th>BR</th> <th>Bath</th> <th></th> </tr> </thead> <tbody> <tr> <td>10</td> <td>4</td> <td>2</td> <td>1</td> <td></td> </tr> </tbody> </table>	No. of Units	UNIT ROOM COUNT					Total	BR	Bath		10	4	2	1		<table border="1"> <thead> <tr> <th>No. of Units</th> <th colspan="4">UNIT ROOM COUNT</th> </tr> <tr> <th></th> <th>Total</th> <th>BR</th> <th>Bath</th> <th></th> </tr> </thead> <tbody> <tr> <td>36</td> <td>3</td> <td>1</td> <td>1</td> <td></td> </tr> <tr> <td>20</td> <td>4</td> <td>2</td> <td>1</td> <td></td> </tr> </tbody> </table>	No. of Units	UNIT ROOM COUNT					Total	BR	Bath		36	3	1	1		20	4	2	1		<table border="1"> <thead> <tr> <th>No. of Units</th> <th colspan="4">UNIT ROOM COUNT</th> </tr> <tr> <th></th> <th>Total</th> <th>BR</th> <th>Bath</th> <th></th> </tr> </thead> <tbody> <tr> <td>15</td> <td>3</td> <td>1</td> <td>1</td> <td></td> </tr> </tbody> </table>	No. of Units	UNIT ROOM COUNT					Total	BR	Bath		15	3	1	1	
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Unit paid by owner	W/S/T	W/S/T	W/S/T	W/S/T																																																																						
Data source	Inspection	Public Records	Public Records	Public Records																																																																						
Price	\$ <input type="checkbox"/> Inf. <input type="checkbox"/> =	\$ 380,000 <input checked="" type="checkbox"/> Unit. <input type="checkbox"/> F	\$ 1,925,000 <input checked="" type="checkbox"/> Unit. <input type="checkbox"/> F	\$ 460,000 <input checked="" type="checkbox"/> Unit. <input type="checkbox"/> F																																																																						
Sale-Listing-Offer		Sale	Sale	Sale																																																																						
Date of sale	July 2012	11/2013	1/17/2012	1/31/2013																																																																						
Terms (Including conditions of sale and financing terms)		\$180,000 cash down to a new 1st DOT. Balance financed by seller at market terms	Cash Sale	The property was acquired with \$350,000 cash down and the balance financed by the seller.																																																																						
Complete as many of the following items as possible using data effective at time of sale																																																																										
Gross Annual Income	\$	\$	\$	\$																																																																						
Gross Ann. Inc. Mult. (1)																																																																										
Net Annual Income	\$	\$	\$	\$																																																																						
Expense Percentage (2)	%	%	%	%																																																																						
Overall Cap. Rate (3)	%	%	%	%																																																																						
Price per unit	\$	\$ 38,000	\$ 34,375	\$ 30,667																																																																						
Price per room	\$	\$ 9,500	\$ 10,239	\$ 10,222																																																																						
Price gross bldg. area	\$ /sq. ft. bldg. area	\$ 50.75 /sq. ft. bldg. area	\$ 48.12 /sq. ft. bldg. area	\$ 68.42 /sq. ft. bldg. area																																																																						
(1) Sale Price / Gross Annual Income (2) Total Annual Expenses / Total Gross Annual Income (3) Net Annual Income / Price																																																																										
RECONCILIATION The subject consists of an older vacant multifamily project in Firebaugh. All three of the sales are considered superior to the subject. There were no sales found in the Firebaugh area. One of the sales (Sale 2) was vacant like the subject but was superior in quality, condition and age. The sales show a fairly tight range of unit values. All of the sales were adjusted downward by 50%. Unit values selected include a unit price of \$18,000, price per square foot of \$26 and price per room of \$5,000. Hence, the following (21 Units @ \$16,000/Unit = \$336,000; (12,925 SF @ \$25/SF = \$323,125) (75 Rooms @ \$5,000/Room = \$375,000)																																																																										
INDICATED VALUE BY MARKET APPROACH 350,000																																																																										
INCOME																																																																										
Total Monthly Apartment Forecasted Rents	\$																																																																									
Other Monthly Income (Itemize)	\$																																																																									
Total Gross Monthly Forecasted Income	\$																																																																									
Total Gross Annual Forecasted Income	\$																																																																									
Less Forecasted Vacancy and Collection Loss ( ) %	\$ ( )																																																																									
Effective Gross Annual Income	\$																																																																									
Less Forecasted Expenses & Replacement Reserves	\$ ( )																																																																									
Net Annual Income from Total Property	\$																																																																									
Less Return on and Recapture of Depreciated Value of Furnishings ( ) \$ @ ( ) %	\$ ( )																																																																									
Net Annual Income from Real Property	\$																																																																									
Capitalized as follows:																																																																										
EXPENSES																																																																										
Real Estate Taxes*	\$																																																																									
Other taxes or licenses																																																																										
Insurance																																																																										
Unsupplanted ground rent																																																																										
Fuel																																																																										
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Trash removal																																																																										
Pest control																																																																										
Maintenance and repairs																																																																										
Interior and exterior decorating																																																																										
Cleaning expenses and supplies																																																																										
Management (Off-site)																																																																										
Res. Mgr. salary & apartment																																																																										
Janitor(s) salary & apartment																																																																										
Miscellaneous																																																																										
REPLACEMENT RESERVES																																																																										
Carpeting and drapes																																																																										
Ranges and refrigerators																																																																										
Dishwashers and disposals																																																																										
Individual heating & AC units																																																																										
TOTAL EXPENSES & REPL. RES.	\$																																																																									
INDICATED VALUE BY INCOME APPROACH \$																																																																										
*Real Est. Taxes <input type="checkbox"/> Actual <input type="checkbox"/> Est. Tax Rate Per \$100 \$																																																																										
Total Assessed Value \$																																																																										
Comments																																																																										



GENERAL COMMENTS (including comments on any items rated poor or fair) The project has not been occupied for several years and is in old and dilapidated condition. The only two applicable approaches to value include the sales comparison and cost approaches. Equal consideration is given to both methods in the valuation process.

CONDITIONS AND REQUIREMENTS OF APPRAISAL (include required repairs, replacements, painting, termite inspections, etc.) The appraisal is made on an as-is basis.

### RECONCILIATION AND VALUE CONCLUSION

Indicated Value by the Cost Approach \$ 371,000

Indicated Value by the Market Approach \$ 360,000

Indicated Value by the Income Approach \$

FINAL RECONCILIATION Equal consideration is given to both methods of valuation in the appraisal.

I certify, that to the best of my knowledge and belief, the statements made in this report are true and I have not knowingly withheld any significant information; that I have personally inspected subject property, both inside and outside, and have made an exterior inspection of all comparable sales listed herein; that I have no interest, present or contemplated, in subject property or the participants in the sale; that neither the employment nor compensation to make said appraisal is contingent upon any value estimate; and, that all contingent and limiting conditions are stated herein.

☒ Certification and Statement of Limiting Conditions

(FHLBC Form 439 Rev. 6/93) applies ☐ on file with Client ☐ Attached.

As a result of my investigation and analysis, my estimate of Market Value of the subject property as of February 14, 2014 is

\$ 360,000

Date July 25, 2012

Appraiser

If applicable, complete the following

Gregg J. Palmer, MAI

Date

Appraiser

Date

☐ Supervising or

☐ Review Appraiser

☐ Did

☐ Did Not Physically Inspect Property

### FOR LENDER'S USE ONLY (completion optional)

Loan Recommended \$ @ % Term yrs Principal & Interest \$ /mo \$ /annually

Subject to:

Borrower's Cost or Purchase Price \$ Appraised Value \$ Loan to Appraised Value %  
Loan: Per Unit \$ Per Room \$ Per Sq. Ft. of Building Area \$  
Gross Annual Forecasted Income \$ Gross Annual Income Multiplier Overall Capitalization Rate %  
Forecasted Annual Expenses and Replacement Reserve \$ % of Gross Annual Forecasted Income  
Break-even Point (this loan): (Annual Exp. & RR \$ + Annual P & I pymts. \$) / (Gross Annual Income \$) = %  
(All financing): (Annual Exp. & RR \$ + Annual P & I pymts. for all financing \$) / (Gross Annual Inc. \$) = %  
Borrower's Return on Appraised Equity (Net Annual Inc. \$ (-) Annual P & I pymts \$) = \$ (1)  
(Appraised Value \$ (-) Loan Amt. \$) = \$ (2)  
\$ (1) / \$ (2) = %

Comments or Committee Action



# **MULTI-PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS**

8320

Client:	Fresno Housing Authority		
Property Address:	1264 P St		
City:	Firebaugh	County:	Fresno
State:	CA	Zip Code:	93622
Owner:	City of Firebaugh		

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), the Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

**This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those sections and statements which have been marked by the appraiser apply to the property being appraised.**

## ☒ **PURPOSE, INTENDED USE & INTENDED USER(S) OF APPRAISAL**

- ☒ The purpose of the appraisal is to estimate the market value as defined herein, or ☐ \_\_\_\_\_
- ☒ Intended use of the appraisal report: application for grant, bond or tax credit financing.
- ☒ Intended user(s) of the appraisal report (by name or type): The Housing Authority of the City and County of Fresno and or its assignees.
- ☐ This is a federally related transaction.

## ☒ **EXTENT OF APPRAISAL PROCESS**

- ☒ The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.
- ☐ The Reproduction/Replacement Cost is based on \_\_\_\_\_, supplemented by the appraiser's knowledge of the local market.
- ☐ Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.
- ☐ The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be applicable. For this reason, the Income Approach was not used.
- ☐ The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.
- ☐ For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.
- ☐ \_\_\_\_\_

## ☒ **FEMA FLOOD HAZARD DATA** ☐ Flood map is attached

- ☒ Subject property is not located in a FEMA Special Flood Hazard Area.
- ☐ Subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
X500	06019C143CH	02/18/2009	Firebaugh

- ☐ The community does not participate in the National Flood Insurance Program.
- ☐ The community does participate in the National Flood Insurance Program.
- ☐ It is covered by a regular program.
- ☐ It is covered by an emergency program.

Analysis/Comments: \_\_\_\_\_

## ☒ **CURRENT SALES CONTRACT**

- ☒ The subject property is currently not under contract.
- ☐ The contract and/or escrow instructions were not available for review. The unavailability of the contract is explained later in the addenda section.
- ☐ The contract and/or escrow instructions were reviewed. The following summarizes the contract:

Contract Date	Amendment Date	Contract Price	Seller	Owner of Record
				City of Firebaugh

- ☐ The contract indicated that personal property was not included in the sale.
- ☐ The contract indicated that personal property was included. It consisted of \_\_\_\_\_ Estimated contributory value is \$ \_\_\_\_\_

- ☒ Personal property was not included in the final value estimate.
- ☐ Personal property was included in the final value estimate.
- ☐ The contract indicated no financing concessions or other incentives.
- ☐ The contract indicated the following concessions or incentives: \_\_\_\_\_

- ☐ If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.

Analysis/Comments: \_\_\_\_\_




MARKET OVERVIEW		Include an explanation of current market conditions and trends.	
<input checked="" type="radio"/>	12 Months	is considered a reasonable exposure time for the subject property at a value range of \$	325,000 to \$ 375,000
Analysis/Comments:			
<input type="radio"/>		is estimated to be the marketing time for the subject property.	
Analysis/Comments:			
<input checked="" type="radio"/>	Marketing Factors	That the property be marketed by a firm having strong local recognition having the ability to market the property via all of the current available marketing methods on a local, state and national basis	

<div> <div></div> <div>SUBJECT PROPERTY OFFERING INFORMATION</div> </div>	
<div> <div>According to</div> <div>Public Records</div> </div>	the sale of property.
<div> <div> <input checked="" type="radio"/> was not been offered for sale in the past:               <div> <input type="checkbox"/> 30 days               <input checked="" type="checkbox"/> 1 year               <input type="checkbox"/> 3 years.             </div> </div> <div> <input type="radio"/> is currently offered for sale for \$             </div> <div> <input type="radio"/> was offered for sale within the past:             <div> <input type="checkbox"/> 30 days             <input type="checkbox"/> 1 year             <input type="checkbox"/> 3 years             for \$             </div> </div> <div> <input type="radio"/> Offering information was considered in the final reconciliation of value.           </div> <div> <input type="radio"/> Offering information was not considered in the final reconciliation of value.           </div> <div> <input type="radio"/> Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.           </div> </div>	
<div> <div>Analysis/Comments:</div> <div></div> </div>	

[illegible][illegible]



<input checked="" type="checkbox"/> <b>ADDITIONAL CERTIFICATIONS</b>	
<p>The Appraiser certifies and agrees that:</p> <p>(1) The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP").</p> <p>(2) Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.</p> <p>(3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.</p>	
<input checked="" type="checkbox"/> <b>ENVIRONMENTAL LIMITING CONDITIONS</b>	
<p>The appraiser's opinion of value is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.</p>	
<input checked="" type="checkbox"/> <b>HIGHEST &amp; BEST USE ANALYSIS</b>	
<p>Analysis/Comments: <u>The highest and best use of the property is to remove the existing building and develop the property consistent with other properties in the area.</u></p> <p><input type="radio"/> As Vacant: _____</p> <p><input type="radio"/> As Improved: _____</p>	
<input checked="" type="checkbox"/> <b>EFFECTIVE DATE OF APPRAISAL</b> <small>(If not current, see comments)</small>	
<p>This appraisal report reflects the following value: <input checked="" type="checkbox"/> Current <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective</p> <p>Effective Date of the Appraisal: <u>February 14, 2014</u></p> <p>Comments on the Effective Date: _____</p>	
<input type="checkbox"/> <b>ADDITIONAL COMMENTS</b>	
<input type="checkbox"/> <b>APPRAISER'S SIGNATURE &amp; LICENSE/CERTIFICATION</b>	
<div style="text-align: center;">  </div> <p>Appraiser's Signature: _____ Inspection Date: <u>February 14, 2014</u> Signed Date: <u>02/19/2014</u></p> <p>Appraiser's Name: <u>Gregg J. Palmer, MAI</u> Phone #: <u>559.226.5020</u></p> <p>State: <u>CA</u> <input checked="" type="checkbox"/> License or <input type="checkbox"/> Certification # <u>AG002880</u> Exp. <u>04/24/2014</u> Tax ID #: _____</p> <p><input type="checkbox"/> Appraiser is certified under the following CE program(s): _____</p>	
<input type="checkbox"/> <b>CO-SIGNING APPRAISER'S CERTIFICATION</b>	
<p><input type="radio"/> The co-signing appraiser has personally inspected the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser.</p> <p><input type="radio"/> The co-signing appraiser has not personally inspected the interior of the subject property and:</p> <p><input type="radio"/> has not inspected the exterior of the subject property and all comparable sales listed in the report.</p> <p><input type="radio"/> has inspected the exterior of the subject property and all comparable sales listed in the report.</p> <p><input type="radio"/> The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser.</p> <p><input type="radio"/> The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.</p>	
<input type="checkbox"/> <b>CO-SIGNING APPRAISER'S SIGNATURE &amp; LICENSE/CERTIFICATION</b>	
<p>Co-Signing Appraiser's Signature: _____ Inspection Date: _____ Signed Date: _____</p> <p>Co-Signing Appraiser's Name: _____ Phone #: _____</p> <p>State: _____ <input type="checkbox"/> License or <input type="checkbox"/> Certification # _____ Exp. _____ Tax ID #: _____</p> <p><input type="checkbox"/> Co-Signing Appraiser is certified under the following CE program(s): _____</p>	



## Subject Photo Page

Client	Fresno Housing Authority				
Property Address	1264 P St				
City	Firebaugh	County	Fresno	State	CA Zip Code 93622
Owner	City of Firebaugh				

### Subject Front



1264 P St  
Sales Price  
Gross Building Area 12,925  
Age 1960  
Total Bedrooms  
Total Bathrooms  
Location  
View  
Site  
Quality  
Age

### Subject Property



### Street View









## Comparable Photo Page

Client	Fresno Housing Authority				
Property Address	1264 P St				
City	Firebaugh	County	Fresno	State	CA Zip Code 93622
Owner	City of Firebaugh				



### Comparable 1

1290 8th Street  
 Sales Price 380,000  
 G.S.A. 7,488  
 Age/Yr. Bl. 1985



### Comparable 2

5148 E. Hedges  
 Sales Price 1,925,000  
 G.S.A. 40,008  
 Age/Yr. Bl. 1972



### Comparable 3

150 N. Calaveras  
 Sales Price 460,000  
 G.S.A. 6,723  
 Age/Yr. Bl. 1956



Client	Fresno Housing Authority				
Property Address	1284 P St				
City	Firebaugh	County	Fresno	State	CA
Owner	City of Firebaugh				
				Zip Code	93622





# **ENVIRONMENTAL ADDENDUM** **APPARENT HAZARDOUS SUBSTANCES AND/OR DETRIMENTAL ENVIRONMENTAL CONDITIONS**

File # 8320

Client	Fresno Housing Authority		
Property Address	1254 P St		
City	Firebaugh	County	Fresno
State	CA	Zip Code	93622
Owner	City of Firebaugh		

\*Apparent is defined as that which is visible, obvious, evident or manifest to the appraiser.

This Environmental Addendum is for use with any real estate appraisal. Only the statements which have been marked by the appraiser apply to the Subject property.

This addendum reports the results of the appraiser's routine viewing of and inquiries about the subject property and its surrounding area. It also states what assumptions were made about any observed evidence of any hazardous substances and/or detrimental environmental conditions. The appraiser is not an expert environmental inspector and therefore might be unaware of existing hazardous substances and/or detrimental environmental conditions which may have a negative effect on the safety or value of the property. It is possible that tests and inspections made by a qualified environmental inspector would reveal the existence of hazardous materials and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.

## **DRINKING WATER**

- ☒ Drinking water is supplied to the subject from a municipal water supply which is considered safe. However, the only way to be absolutely certain that the water meets published standards is to have it tested at all discharge points.
- ☐ Drinking water is supplied by a well or other non-municipal source. It is recommended that tests be made to be certain that the property is supplied with adequate drinking water.
- ☒ Lead can get into drinking water from its source, the pipes, at all discharge points, plumbing fixtures and/or appliances. The only way to be certain that water does not contain an unacceptable lead level is to have it tested at all discharge points.
- ☒ The opinion of value is based on the assumption that there is an adequate supply of safe, lead-free drinking water.

Comments:

## **SEWER SYSTEM**

- ☒ Sewage is removed from the property by a municipal sewer system.
- ☐ Sewage is disposed of by a septic system or other sanitary on-site waste disposal system. The only way to determine that the disposal system is adequate and in good working condition is to have it inspected by a qualified inspector.
- ☒ The opinion of value is based on the assumption that the sewage is disposed of by a municipal sewer or an adequate properly permitted alternate treatment system in good condition.

Comments:

## **SOIL CONTAMINANTS**

- ☒ There are no apparent signs of soil contaminants on or near the subject property (except as stated in Comments, below). It is possible that research, inspection and testing by a qualified environmental inspector would reveal existing and/or potential hazardous substances and/or detrimental environmental conditions on or around the property that would negatively affect its safety and value.
- ☒ The opinion of value is based on the assumption that the subject property is free of soil contaminants.

Comments:

## **ASBESTOS**

- ☒ All or part of the improvements were constructed before 1979 when asbestos was a common building material. The only way to be certain that the property is free of friable and non-friable asbestos is to have it inspected and tested by a qualified asbestos inspector.
- ☐ The improvements were constructed after 1979. No apparent friable asbestos was observed (except as stated in Comments, below).
- ☒ The opinion of value is based on the assumption that there is no uncontained friable asbestos or other hazardous asbestos material on the property.

Comments:

## **PCBs (POLYCHLORINATED BIPHENYLS)**

- ☒ There were no apparent leaking fluorescent light ballasts, capacitors or transformers anywhere on or nearby the property (except as stated in Comments, below).
- ☐ There was no apparent visible or documented evidence known to the appraiser of soil or groundwater contamination from PCBs anywhere on the property (except as reported in Comments below).
- ☒ The opinion of value is based on the assumption that there are no uncontained PCBs on or nearby the property.

Comments:

## **RADON**

- ☒ The appraiser is not aware of any radon tests made on the subject property within the past 12 months (except as stated in Comments, below).
- ☒ The appraiser is not aware of any indication that the local water supplies have been found to have elevated levels of radon or radium.
- ☒ The appraiser is not aware of any nearby properties (except as stated in Comments, below) that were or currently are used for uranium, thorium or radium extraction or phosphate processing.
- ☒ The opinion of value is based on the assumption that the Radon level is at or below EPA recommended levels.

Comments:



#### USTs (UNDERGROUND STORAGE TANKS)

- ☒ There is no apparent visible or documented evidence known to the appraiser of any USTs on the property nor any known historical use of the property that would likely have had USTs.
- ☒ There are no apparent petroleum storage and/or delivery facilities (including gasoline stations or chemical manufacturing plants) located on adjacent properties (except as reported in Comments below).
- ☐ There are apparent signs of USTs existing now or in the past on the subject property. It is recommended that an inspection by a qualified UST inspector be obtained to determine the location of any USTs together with the condition and proper registration if they are active, and if they are inactive, to determine whether they were deactivated in accordance with sound industry practices.
- ☒ The opinion of value is based on the assumption that any functioning USTs are not leaking and are properly registered and that any abandoned USTs are free from contamination and were properly drained, filled and sealed.

Comments:

#### NEARBY HAZARDOUS WASTE SITES

- ☒ There are no apparent hazardous waste sites on the subject property or nearby the subject property (except as stated in Comments, below). Hazardous Waste Site search by a trained environmental engineer may determine that there is one or more hazardous waste sites on or in the area of the subject property.
- ☒ The opinion of value is based on the assumption that there are no hazardous waste sites on or nearby the subject property that negatively affect the value or safety of the property.

Comments:

#### UREA FORMALDEHYDE INSULATION (UFFI)

- ☒ All or part of the improvements were constructed before 1982 when urea foam insulation was a common building material. The only way to be certain that the property is free of urea formaldehyde is to have it inspected by a qualified urea formaldehyde inspector.
- ☐ The improvements were constructed after 1982. No apparent urea formaldehyde materials were observed (except as stated in Comments, below).
- ☒ The opinion of value is based on the assumption that there is no significant UFFI insulation or other urea formaldehyde material on the property.

Comments:

#### LEAD BASED PAINT

- ☒ All or part of the improvements were constructed before 1978 when lead based paint was a common building material. There is no apparent visible or known documented evidence of peeling or flaking Lead Paint on the floors, walls or ceilings (except as stated in Comments, below). The only way to be certain that the property is free of surface or subsurface lead based paint is to have it inspected by a qualified inspector.
- ☐ The improvements were constructed after 1978. No apparent Lead Paint was observed (except as stated in Comments, below).
- ☒ The opinion of value is based on the assumption that there is no flaking or peeling Lead Paint on the property.

Comments:

#### AIR POLLUTION

- ☒ There are no apparent signs of air pollution at the time of the appraiser's viewing of the subject property, nor were any reported (except as reported in Comments, below). The only way to be certain that the air is free of pollution is to have it tested.
- ☒ The opinion of value is based on the assumption that the property is free of air pollution.

Comments:

#### WETLANDS/FLOOD PLAINS

- ☒ The site does not contain any apparent wetlands/flood plains (except as stated in Comments, below). The only way to be certain that the site is free of wetlands/flood plains is to have it inspected by a qualified environmental professional.
- ☒ The opinion of value is based on the assumption that there are no Wetlands/Flood Plains on the property (except as stated in Comments, below).

Comments:

#### MISCELLANEOUS ENVIRONMENTAL HAZARDS

- ☐ There are no other apparent hazardous substances and/or detrimental environmental conditions on or in the area of the site except as indicated below:

- ☐ Excess noise \_\_\_\_\_
- ☐ Radiation and/or electromagnetic radiation \_\_\_\_\_
- ☐ Light pollution \_\_\_\_\_
- ☐ Waste heat \_\_\_\_\_
- ☐ Acid mine drainage \_\_\_\_\_
- ☐ Agricultural pollution \_\_\_\_\_
- ☐ Geological hazards \_\_\_\_\_
- ☐ Nearby hazardous property \_\_\_\_\_
- ☐ Infectious medical wastes \_\_\_\_\_
- ☐ Pesticides \_\_\_\_\_
- ☐ Other (chemical storage drums, pipelines, etc.) \_\_\_\_\_

- ☒ The opinion of value is based on the assumption that, except as reported above, there are no other environmental hazards that would negatively affect the value of the subject property.

When any of the environmental assumptions made in this addendum are not correct, the opinion of value in this appraisal may be affected.



# Assumptions & Limiting Conditions

File No.: 8320

Property Address: 1264 P St City: Firebaugh State: CA Zip Code: 93622  
 Building Name (if applicable): Residential Lot  
 Client: Fresno Housing Authority Address: 1331 Fulton Mall, Fresno, Ca 93727  
 Appraiser: Gregg J. Palmer, MAI Address: 1285 W. Shaw 108, Fresno, Ca 93711

## STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS:

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership. The future operation of the property assumes skilled and adequate management but are not represented to be historically based.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties. All information furnished regarding rental rates, lease terms, or projections of income and expense is from sources deemed reliable. No warranty or representation is made as to the accuracy thereof.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'property inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- Values for various components of the subject parcel and improvements or the value derived by one or two approaches to value as contained within this report are valid only when making a summation or final opinion of value and are not to be used independently for any purpose and must be considered invalid if so used. A separate report on only a part of a whole property, particularly if the reported value exceeds the value that would be derived if the property were considered separately as a whole, must be stated as a fractional report.
- Forecasts of effective demand for the highest and best use or the best fitting and most appropriate use were based on the best available data concerning the market and are subject to conditions of economic uncertainty about the future.

## HYPOTHETICAL CONDITIONS and/or EXTRAORDINARY ASSUMPTIONS (if applicable):



## Scope of Work & Definitions

File No.: 8320

Property Address	1264 P St	City	Firebaugh	State	CA	Zip Code	93622
Building Name (if applicable)	Residential Lot						
Client	Fresno Housing Authority	Address	1331 Fulton Mall, Fresno, Ca 93727				
Appraiser	Gregg J. Palmer, MAI	Address	1285 W. Shaw 108, Fresno, Ca 93711				

### SCOPE OF WORK:

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Scope of Work Comments:

### DEFINITIONS:

#### DEFINITION OF MARKET VALUE \*\*:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well-informed or well-advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

\* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994 and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.



# Certifications

File No.: 8320

Property Address: 1264 P St	City: Firebaugh	State: CA	Zip Code: 93622
Building Name (if applicable): Residential Lot			
Client: Fresno Housing Authority	Address: 1331 Fulton Mall, Fresno, Ca 93727		
Appraiser: Gregg J. Palmer, MAI	Address: 1285 W. Shaw 108, Fresno, Ca 93711		

## APPRAISER'S CERTIFICATION:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.

## ADDITIONAL CERTIFICATIONS:

Client Contact: Mr. Daniel Guerra	Client Name: Fresno Housing Authority
E-Mail:	Address: 1331 Fulton Mall, Fresno, Ca 93727
APPRaiser	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
	
Appraiser Name: Gregg J. Palmer, MAI	Supervisor or Co-Appraiser Name:
Company: James G. Palmer Appraisals Inc	Company:
Phone: 559.226.5020 Fax: 559.226.5063	Phone: Fax:
E-Mail:	E-Mail:
Date Report Signed: 02/19/2014	Date Report Signed:
License or Certification #: AG002880 State: Califor	License or Certification #: State:
Designation:	Designation:
Expiration Date of License or Certification: 04/24/2014	Expiration Date of License or Certification:
Inspection of Subject: <input checked="" type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None	Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None
Date of Inspection: February 14 2014	Date of Inspection:





## **DRAFT PURCHASE AND SALE AGREEMENT**



**FIREBAUGH GATEWAY PROJECT**

**PURCHASE AND SALE AGREEMENT**

**between**

**THE CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY,  
as Seller**

**and**

**HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA,  
as Buyer**

**Dated: As of June \_\_, 2014**



## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is effective as of the \_\_\_\_ day of June 2014 by and between THE CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY, a municipal corporation ("**Seller**"), and HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body corporate and politic having an address at 1331 Fulton Mall, Fresno, California 93721 ("**Buyer**"), with reference to the following facts.

(a) Seller is the fee simple owner of land located at the Northwest corner of 13<sup>th</sup> and P Streets, in the City of Firebaugh, County of Fresno, California as more particularly described in Exhibit A attached hereto (the "**Land**").

(b) Pursuant to the Seller's Long-Range Property Management Plan dated September 10, 2013, (the "**PMP**"), the Seller is disposing of certain properties for which it is the owner of record, including the Land.

(c) An element of Buyer's mission is to provide affordable housing to the people of Fresno, including through the construction (either by Buyer or by limited partnership of which Buyer or an affiliate thereof is a partner) of a twenty (20) to thirty-four (34) unit project, together with a community building, to be commonly known as "The Firebaugh Gateway Project" (the "**Project**").

(d) Seller desires to sell the Property (as defined below) to Buyer, and Buyer desires to purchase the Property from Seller on the terms and conditions set forth below, for Buyer's development of the Project pursuant to the Buyer's Business Plan (as defined below).

(e) Buyer's business plan ("**Buyer's Business Plan**") is to (i) develop the units, and (ii) own, finance and operate the Project as a low-income housing tax credit project pursuant to Section 42 of the United States Internal Revenue Code (the "**Code**"), either directly or through a limited partnership of which Buyer or an affiliate thereof is a partner.

In consideration of the foregoing and of the covenants and provisions contained in this Agreement, the parties agree as follows:

1. Agreement to Sell and Purchase Property. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, subject to the terms and conditions of this Agreement, the Property.

2. Property. The "**Property**" shall include the (i) the Land and all improvements located thereon, and (ii) all of the contracts, documents and materials associated with the Project, including but not limited to, the following: (1) all documents associated with the completion of the Project; (2) all land use approvals, conditional use permits, building permits and other governmental permits and approvals of any nature obtained in connection with the Project; (3) all architectural design, construction, engineering and consulting contracts and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto entered into by Seller and any Contractor; (4) all plans and specifications, architectural and engineering drawings, shop drawings, working drawings, prints, surveys,



reports, studies, amendments, modifications, changes, supplements, general conditions, and addenda and other documents; and (5) all licenses, permits and other approvals issued by any state, federal or local authority relating to the Project; and

3. Purchase Price Amount.

(a) The purchase price for the Property (exclusive of cash accounts constituting a part of the Property, if any) shall be three hundred sixty thousand and 00/100 Dollars (\$360,000) (the "**Purchase Price**"), which amount represents the appraised value of the Property in its condition on the Closing Date.

4. Closing: Closing Costs.

(a) The Closing shall take place through an escrow established with Placer Title Company (the "**Title Company**"). Closing shall occur on a date agreed to by Buyer and Seller on or before December 31, 2016 (the "**Closing Date**"). The parties shall execute escrow instructions reasonably approved by the parties and prepared by the Title Company.

(b) Buyer and Seller shall sign and complete all customary or reasonably required documents at or before the Closing Date.

(c) Fees for real estate closing services by the Title Company shall be paid at Closing by Buyer.

5. Title Commitment and Survey. Buyer shall order from the Title Company, at Buyer's expense, a commitment (or commitments) for an ALTA owner's policy of title insurance for the Property (collectively, the "**Title Commitment**"). The cost of title insurance and any additional premium to obtain coverage to insure over any unsatisfactory title exceptions shall be at the expense of Buyer. Buyer may also obtain, at Buyer's cost, an as-built survey (the "**Survey**") of the Property.

6. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer on and as of the date hereof and as of the Closing Date as follows:

(a) Seller has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required action and approvals therefor have been duly taken and obtained, including but not limited to, any approvals required pursuant to the PMP. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Seller are and shall be duly authorized to sign the same on Seller's behalf and to bind Seller thereto. This Agreement and all documents to be executed pursuant hereto by Seller are and shall be binding upon Seller in accordance with their respective terms. The transaction contemplated hereby will not result in a breach of or constitute a default under any agreement to which Seller or the Property is subject or by which Seller or the Property is bound.

(b) Seller owns fee simple title to the Property free and clear of all liens, encumbrances, options and restrictions of every kind, except for any Permitted Exceptions (as



defined below) and any exceptions shown on its current title insurance policies delivered to Buyer.

(c) Unless otherwise disclosed to Buyer, to Seller's knowledge, there are no claims, causes of action or other litigation or proceedings pending with respect to the ownership or operation of the Property, or any part thereof which could materially affect the Property, or the consummation of the transactions contemplated by this Agreement.

(d) Seller has not received any notice of any violations of any legal requirements with respect to the Property which have not been corrected, and to Seller's knowledge there is no condition existing with respect to the Property which violates any law, ordinance, rule, regulation or requirement, including, without limitation, those pertaining to zoning, building, health, safety or environmental matters, of the municipal, county, state or federal government.

(e) Neither Seller nor, to Seller's knowledge, any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

(f) Seller has not received, and has no other knowledge or information of, any notice from any insurance company or board of fire underwriters requesting the performance of any work or alteration with respect to the Property, or requiring an increase in the insurance rates applicable to the Property.

(g) As of the Closing Date, none of the work associated with the Project has been placed in service for federal income tax purposes.

(h) Seller will not take or cause to be taken or suffer any action that would cause any of the foregoing representations or warranties to be untrue as of the Closing Date. Seller shall immediately notify Buyer in writing of any event or condition that will cause a change in the facts relating to, or the truth of, any of the above representations or warranties. The representations, warranties and covenants contained in this section are intended to survive the Closing Date.

7. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller on and as of the date hereof and as of the Closing Date as follows:

(a) Buyer has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Buyer pursuant hereto, and all required action and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Buyer are and shall be duly authorized to sign the same on Buyer's behalf and to bind



Buyer thereto. This Agreement and all documents to be executed pursuant hereto by Buyer are and shall be binding upon Buyer in accordance with their respective terms.

(b) Buyer's execution and delivery of this Agreement will not result in a breach or violation or a default (or any event which with notice and passage of time, or both, would constitute a default) under any of Buyer's organizational documents or any contract, agreement, permit, license, order or decree to which Buyer is a party.

(c) Neither Buyer nor, to Buyer's knowledge, any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of OFAC of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism), or other governmental action.

8. Possession. Actual, sole and exclusive physical possession of the Property shall be given to Buyer on the Closing Date by delivery of Seller's Grant Deed, duly executed and acknowledged by Seller (the "**Deed**"), subject to the following, all of which shall be deemed "Permitted Title Exceptions":

(a) Except for any matters shown on the Title Commitment objected to by Buyer in writing prior to the Closing Date, all matters shown in the Title Commitment;

(b) Any title exceptions or encumbrances, arising by, through or under Buyer;

(c) Applicable zoning and governmental regulations and ordinances; and

(d) All matters created as a result of the transactions contemplated by this Agreement and all other instruments, documents and agreements to be executed in connection with Buyer's Business Plan.

9. Apportionments, Taxes, etc. Real estate taxes on the Property, personal property taxes, special district taxes, water and sewer rents, and other municipal charges shall be apportioned pro rata between Seller and Buyer on a per diem basis as of the Closing Date based on the most recent bill received or assessment due. Further, notwithstanding the foregoing, no prorations shall be made for any unpaid amounts due and payable prior to the Closing Date.

(a) Utility Meter Charges. Seller shall pay all outstanding charges accruing until the day prior to the Closing Date, for water, electric, gas and other utilities based upon the most recent bill received or assessment due, apportioned pro rata between Seller and Buyer on a per diem basis as of the Closing Date.

(b) Transfer and Documentary Stamp Taxes; Sales and Use Taxes. Any realty transfer taxes, documentary stamp taxes and similar taxes imposed upon the delivery and/or recording of the Deed or upon this transaction shall be paid by Seller. Any sales and use tax that may accrue because of this transaction shall be paid, when due, by Buyer.



10. Conditions of the Agreement.

(a) Conditions of Buyer. The obligations of Buyer under this Agreement are subject to the satisfaction at the time of Closing that Seller has performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to or as of the Closing Date (any of which may be waived in whole or in part in writing by Buyer at or prior to Closing).

(b) Conditions of Seller. The obligations of Seller under this Agreement are subject to the satisfaction at the time of Closing that Buyer has performed all covenants, agreements and conditions required by this Agreement to be performed by Buyer prior to or as of the Closing Date (any of which may be waived in whole or in part in writing by Seller at or prior to Closing). The agreement is subject to Fresno Housing Authority board approval(s), an award of low income housing tax credits and subject to satisfactory due diligence as determined by the Buyer.

11. Buyer's Inspection. Buyer acknowledges and agrees that Buyer, or a representative on Buyer's behalf, has examined the Property, the Title Commitment, and all aspects of the operations and physical condition of the Property, to Buyer's satisfaction. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS", EXCEPT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE IN THIS AGREEMENT. BUYER HAS NOT RELIED AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR RELATING THERETO, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING, UNLESS SPECIFICALLY SET FORTH IN THIS AGREEMENT. SELLER ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS AND TAKES INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD "AS-IS."

12. Items to be Delivered at Closing by Seller. At Closing, Seller shall deliver to Buyer (or to Buyer's nominee) the following:

(a) The Deed, duly executed and acknowledged;

(b) Such resolutions and certificates as Buyer or the Title Company shall require to evidence the due authorization of the execution and performance of this Agreement and the documents to be delivered pursuant hereto; together with Seller's organizational documents, and all affidavits, indemnities and other agreements, documents or reports required by the Title Company to permit it to issue to Buyer the owner's policy of title insurance required pursuant to Section 5 hereof;

(c) A signed copy of the closing statement prepared by the Title Company;



(d) A certificate given pursuant to the Foreign Investment in Real Property Tax Act certifying that Seller is not a foreign entity or person, if required by Buyer at closing;

(e) Any other documents required to be delivered by Seller pursuant to any other provisions of this Agreement or as otherwise required by the Title Company or California law.

13. Items to be Delivered at Closing by Buyer. At Closing, Buyer shall deliver to Seller (or to Seller's nominee) the following:

(a) The Purchase Price (adjusted by any prorations contemplated herein);

(b) A signed copy of the closing statement prepared by the Title Company;

(c) Such resolutions and certificates as Seller or the Title Company shall require to evidence the due authorization of the execution and performance of this Agreement and the other documents to be delivered pursuant hereto, together with Buyer's organizational documents, and all affidavits, indemnities and other agreements, documents or reports required by the Title Company to permit it to issue to Buyer the owner's policy of title insurance pursuant to the Title Commitment; and

(d) Any other documents required to be delivered by Buyer pursuant to any other provisions of this Agreement, or as otherwise required by the Title Company or California law.

15. Brokerage. Buyer represents and warrants to Seller that Buyer has dealt with no broker, finder or other intermediary in connection with this sale. Seller represents and warrants to Buyer that Seller has dealt with no broker, finder or other intermediary in connection with this sale. The provisions of this Section shall survive Closing.

16. Notices. All notices, demands, requests or other communications from either party to the other party, required or permitted under the terms of this Agreement (a) shall be in writing, (b) shall be deemed to have been provided on the earlier of (i) (1) forty-eight (48) hours after being sent as certified or registered mail in the United States mails, postage prepaid, return receipt requested, or (2) the next business day after having been deposited (in time for delivery by such service on such business days) with Federal Express or another national courier service, or (3) (if such party's receipt thereof, is acknowledged in writing) upon having been sent by telefax or another means of immediate electronic communication, in each case to the address of such party set forth hereinabove or to such other address in the United States of America as such party may designate from time to time by notice to the other party hereto, or (ii) (if such party's receipt thereof, is acknowledged in writing) its having been given by hand or other actual delivery to such party. Notwithstanding the foregoing, any notice of default shall be deemed to have been provided only upon receipt or refusal as evidenced by return receipt, courier receipt or other receipt provided by the overnight delivery service.



17. Miscellaneous.

(a) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement may not be assigned by either party hereto without the written consent of the other party hereto; provided that Buyer may assign this Agreement without the consent of Seller to a limited partnership of which Buyer, an affiliate of Buyer or an entity in which Buyer is a sole member, is a partner.

(b) Entire Agreement: Governing Law. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, supersedes all prior or other negotiations, representations, understandings and agreements of, by or among the parties, express or implied, oral or written, which are fully merged herein. Any agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of this Agreement unless such agreement is in writing and signed by the party against whom enforcement of such change, modification, discharge or abandonment is sought. This Agreement shall be governed by and construed under the laws of California.

(c) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected on this Agreement as the signatories.

(d) No Waiver. Neither the failure nor any delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

(e) Time of the Essence. Time, wherever stated in this Agreement, is declared to be of the essence of this Agreement.



IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Agreement as of the day and year first above written.

**SELLER:**

CITY OF FIREBAUGH, SUCCESSOR  
HOUSING AGENCY, a municipal corporation

By: \_\_\_\_\_  
Kenneth Mc Donald  
City Manager

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Rita Lozano  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Dale E. Bacigalupi  
Agency Attorney

**BUYER:**

HOUSING AUTHORITY OF FRESNO COUNTY,  
CALIFORNIA, a California public body corporate  
and politic

By: \_\_\_\_\_  
Preston Prince  
CEO/Executive Director



**EXHIBIT A**

**LEGAL DESCRIPTION**

Real property in the City of Firebaugh, County of Fresno, State of California, described as follows:

**PARCEL 1:**

All that certain real property situate, lying, and being a portion of Sections 28 and 29, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 7, 8, 9 and 10 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

**Parcel 2:**

All that certain real property situate, lying, and being a portion of Sections 28, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 1, 2, 3, 4, 5 and 6 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

**ASSESSOR'S PARCEL NO: 008-075-03 AND 008-075-11**



### **3. TIMEFRAME**



## FIREBAUGH GATEWAY

### TIMEFRAME

The project schedule would depend on completion of certain milestones linked to the application for Low Income Housing Tax Credits (LIHTC). There are two annual rounds of competitive 9% tax credit allocations that follow schedules dictated by the California Tax Credit Allocation Committee (CTCAC). Potential schedules are presented below and subject to the critical components of the applications being met in time for a complete application.

PROJECT SCHEDULE A	
Low Income Housing Tax Credit Application	March 1, 2015
Low Income Housing Tax Credit Allocation	June 1, 2015
Start Construction	December 1, 2015
Complete Construction	December 1, 2016
Complete Lease Up	June 30, 2017

*\*Subject to completion of an executed purchase & sale agreement prior to application deadline.*

*\*Schedule if application is submitted for 1st round 2015.*

PROJECT SCHEDULE B	
Low Income Housing Tax Credit Application	July 1, 2015
Low Income Housing Tax Credit Allocation	September 24, 2015
Start Construction	March 28, 2016
Complete Construction	March 28, 2017
Complete Lease Up	September 30, 2017

*\*Schedule if application is submitted for 2nd round 2015.*



#### **4. EXPLANATION OF ECONOMIC BENEFITS**



## **FIREBAUGH GATEWAY**

### **BENEFITS TO THE COMMUNITY**

The subject site consists of two existing parcels (APNs 008-075-03 and 008-075-11) that are each developed with existing multifamily residential dwellings. The proposed project would demolish these buildings and build 30 new senior units. The proposed project features a two story building situated along the P Street and 13th Street frontages of the site. A parking lot will be situated to the rear of the building and will take access from the alley that runs parallel to P Street. This alley connects 13th Street in the south to 12th Street to the north. A landscaped area will be situated at the rear of the building and will provide green space for residents to enjoy the outdoors.

This development will help eliminate a blighted parcel of land within the local neighborhood and provide much needed affordable rental housing for seniors. The project includes well designed landscaping and a community building that will bring services to the senior community and other residents of Firebaugh. The community building will include a computer lab, community multi-propose room with management offices and open space for the residents.

The construction of the project will bring additional economic activity to the community and help create jobs. According to Econsult Corporation, it is estimated that 26 jobs are created for every \$1,000,000 of construction brought to communities by Housing Authorities. It's estimated that over 75 potential jobs could be created by the Firebaugh Gateway development. The construction of the project will have additional multiplier effects for other local businesses as well and may increase local property values and influence other owners to make improvements to their properties.

The project shows a demand for over 61 units of senior housing in the market area and there are currently no unsubsidized senior housing developments in the area. The Housing Authority of Fresno County has participated in community meetings over the past few years. Each meeting was positive, and input has been taken into account during the design process (please see attached agenda/powerpoint).





# ***Firebaugh Gateway Community Design Meeting***

*Wednesday, July 25, 2012*

*6:00pm-7:30pm*

*Andrew Firebaugh Community Center*



# Existing Site Conditions





# Existing Site Conditions – 1238 P Street





# Existing Site Conditions – 1264 P Street







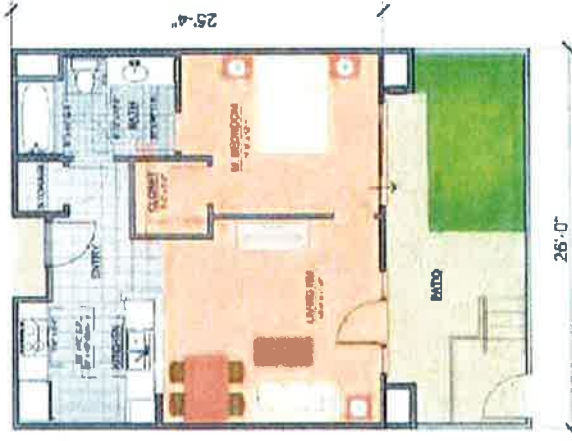


# Design Options – Scheme B





# Unit Floor Plans



UNIT A

UNIT B

## UNIT FLOOR PLANS

### "FIREBAUGH GATEWAY PROJECT"

SENIOR LIVING APARTMENT COMMUNITY  
FIREBAUGH, CA

UNIT PLANS

P-1.0

R.E. Dutton & Associates  
Architects  
1000 N. 1st St.  
Fresno, CA 93703  
TEL: (559) 233-1111  
FAX: (559) 233-1112



CITY OF FRESNO  
SENIOR LIVING APARTMENT COMMUNITY  
FIREBAUGH, CA  
ARCHITECT: R.E. DUTTON & ASSOCIATES  
DATE: 01/11/2011  
SCALE: 1/8" = 1'-0"



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## Breakout Groups

- Review and Discuss Scheme A and B
- Pros and Cons
- Top Concept
- Suggestions for Improving Top Concept



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# Breakout Group Report and Discussion

- Preference
- Themes
- Design
- Etc.



## Bidder: Fresno County Housing Authority

Item	Criteria	Possible Points	Points Awarded	Notes
1	Completeness and conformity to the Request for Proposals (RFP)	5	5	Addressed all sections
2	The Proposed Project <ul style="list-style-type: none"> <li>Proposed use and overall design concept</li> <li>Good fit for City</li> <li>End-user for the project</li> <li>Environmental impacts</li> <li>How well the Project conforms to the City's General Plan, zoning, and other applicable federal, state and local laws, codes and regulations.</li> </ul>	20	20	Affordable senior housing is needed in the area. The project fits the City well. HA already received a zoning change and a density bonus to accommodate the proposed project.
3	Purchase Price and Financial Assistance: <ul style="list-style-type: none"> <li>Purchase price</li> <li>financial capacity of Bidder</li> <li>City financial involvement</li> </ul>	30	20	Purchase price is lower than competing bid but matches a recent appraisal. Execution of the sale is contingent upon award of LIHTC. HA will finance the project through grants and tax credits with \$0 in City contribution. Already secured a \$300k grant. Expects to invest \$6.3 million, which is a good investment for the community.
4	Timeframe: <ul style="list-style-type: none"> <li>Timeframe for closing</li> <li>The schedule for completion</li> </ul>	15	8	Construction would not be completed until end of 2016 so that the HA has time



				to compete for tax credit awards.
6	<p>Economic Benefits:</p> <ul style="list-style-type: none"> <li>• Short-term and long-term economic benefits to the City, the taxing entities, and the community.</li> <li>• Employment opportunities generated</li> </ul>	30	20	Project would create jobs and satisfy unmet affordable housing demand. But project would be tax-exempt. And short-term the purchase price is lower than competitor.
	<b>TOTAL POINTS</b>	<b>100</b>	<b>74</b>	



# Boardwalk CA, LLC

Box 1350  
Selma, CA 93662  
(559) 834-6677

July 22, 2014

Ken McDonald, City Manager  
City of Firebaugh  
1133 "P" St.  
Firebaugh, CA 93622

Mr. Ken McDonald,

Boardwalk CA, LLC offers to purchase 1264 & 1238 P Street, being a 21 unit multi-family residential dwelling with 3 buildings of approximately 13,566 square feet, located at 1264 & 1238 P Street, Firebaugh, CA 93622 on the general terms and conditions described below.

About the Buyer: Boardwalk, CA LLC is a family owned and operated farming operation, farming 6,000 acres in Madera County, CA. Recent real estate purchases include the Firebaugh Motel a 12,217 sq foot Motel/Apt/SFR property located in Firebaugh, CA and a 20,000 square foot Commercial Retail Property in Chandler, AZ.

Purchase Price: \$ 502,000 cash payment

Deposit: Buyer will deposit \$30,000 into Escrow paid within 72 hours of acceptance, which deposit shall become non-refundable after due diligence and satisfaction of all contingencies and conditions.

Due Diligence Contingency Period: Buyer shall have 30 days, during which Buyer shall conduct due diligence. This purchase is contingent upon Buyer approval of the conditions indicated by the diligence material and Buyer independent inspections and investigations.

Diligence: Seller to provide Buyer all diligence items in the seller's possession.

Financial Capability: The purchase of the property and all renovations will be cash funded. This leaves the financial involvement for the City of Firebaugh to a minimum. Financial inquiries should be directed to our CFO, Suzie Keller at 559-834-6677.



# Boardwalk CA, LLC

Box 1350  
Selma, CA 93662  
(559) 834-6677

Proposed use of the Property: Multi-family residential dwelling consisting of 21 apartments. Both parcels involved are currently zoned for residential housing, which conforms to the City's 2030 General Plan. With the property being centrally located, the City of Firebaugh can only benefit by the boost in its overall appearance with this extensive upgrade. The renovated apartments should have a nominal environmental impact and only enhance the benefiting taxing entities by the increased property value.

Renovation: Estimating the renovation costs to fall between \$200,000 and \$250,000, with a timeframe for completion within 3 months after the close of escrow. Listed are the inclusions that will be addressed and either replaced, repaired or added during the renovation process: stucco, fascia, wood structures, roof, parking lot surface, building and parking lot lighting, landscaping, new paint, addition of satellite TV and the complete renovation of all 21 apartment units.

Boardwalk CA, LLC

Jeff Lion

Date: 8/22/14



## Bidder: Boardwalk

Item	Criteria	Possible Points	Points Awarded	Notes
1	Completeness and conformity to the Request for Proposals (RFP)	5	2	Many sections were unaddressed
2	<p>The Proposed Project</p> <ul style="list-style-type: none"> <li>Proposed use and overall design concept</li> <li>Good fit for City</li> <li>End-user for the project</li> <li>Environmental impacts</li> <li>How well the Project conforms to the City's General Plan, zoning, and other applicable federal, state and local laws, codes and regulations.</li> </ul>	20	8	<p>Proposed project is a renovation of the existing structures, which are in very bad condition. This might not be ideal for the City nor create a good end product. End user is unclear. Environmental impacts for renovation projects tend to be low. Proposed use conforms to general plan.</p>
3	<p>Purchase Price and Financial Assistance:</p> <ul style="list-style-type: none"> <li>Purchase price</li> <li>financial capacity of Bidder</li> <li>City financial involvement</li> </ul>	30	27	<p>Offer is higher than competitor and is offered as all-cash. Planned renovations are expected to only cost \$200k-\$250k, which is a very small investment in the community compared to the competitor and possibly unrealistic given the existing condition of the structures.</p>
4	<p>Timeframe:</p> <ul style="list-style-type: none"> <li>Timeframe for closing</li> <li>The schedule for completion</li> </ul>	15	15	<p>The project would be completed within 3 months of closing.</p>
6	<p>Economic Benefits:</p> <ul style="list-style-type: none"> <li>Short-term and long-term economic benefits to the City, the taxing entities, and the community.</li> </ul>	30	8	<p>It is unclear what, if any economic benefits would result from the project as this was not addressed. The taxing entities and City</p>



	<ul style="list-style-type: none"><li>• Employment opportunities generated</li></ul>			would benefit from the higher purchase price and taxable status of the end project.
	<b>TOTAL POINTS</b>	<b>100</b>	<b>60</b>	



EXHIBIT B

FRESNO COUNTY HOUSING AUTHORITY PURCHASE AND SALE AGREEMENT



**FIREBAUGH GATEWAY PROJECT**

**PURCHASE AND SALE AGREEMENT**

**between**

**THE CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY,  
as Seller**

**and**

**HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA,  
as Buyer**

**Dated: As of June \_\_, 2014**



## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is effective as of the \_\_\_\_ day of June 2014 by and between THE CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY, a municipal corporation ("**Seller**"), and HOUSING AUTHORITY OF FRESNO COUNTY, CALIFORNIA, a public body corporate and politic having an address at 1331 Fulton Mall, Fresno, California 93721 ("**Buyer**"), with reference to the following facts.

(a) Seller is the fee simple owner of land located at the Northwest corner of 13<sup>th</sup> and P Streets, in the City of Firebaugh, County of Fresno, California as more particularly described in Exhibit A attached hereto (the "**Land**").

(b) Pursuant to the Seller's Long-Range Property Management Plan dated September 10, 2013, (the "**PMP**"), the Seller is disposing of certain properties for which it is the owner of record, including the Land.

(c) An element of Buyer's mission is to provide affordable housing to the people of Fresno, including through the construction (either by Buyer or by limited partnership of which Buyer or an affiliate thereof is a partner) of a twenty (20) to thirty-four (34) unit project, together with a community building, to be commonly known as "The Firebaugh Gateway Project" (the "**Project**").

(d) Seller desires to sell the Property (as defined below) to Buyer, and Buyer desires to purchase the Property from Seller on the terms and conditions set forth below, for Buyer's development of the Project pursuant to the Buyer's Business Plan (as defined below).

(e) Buyer's business plan ("**Buyer's Business Plan**") is to (i) develop the units, and (ii) own, finance and operate the Project as a low-income housing tax credit project pursuant to Section 42 of the United States Internal Revenue Code (the "**Code**"), either directly or through a limited partnership of which Buyer or an affiliate thereof is a partner.

In consideration of the foregoing and of the covenants and provisions contained in this Agreement, the parties agree as follows:

1. Agreement to Sell and Purchase Property. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, subject to the terms and conditions of this Agreement, the Property.

2. Property. The "**Property**" shall include the (i) the Land and all improvements located thereon, and (ii) all of the contracts, documents and materials associated with the Project, including but not limited to, the following: (1) all documents associated with the completion of the Project; (2) all land use approvals, conditional use permits, building permits and other governmental permits and approvals of any nature obtained in connection with the Project; (3) all architectural design, construction, engineering and consulting contracts and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto entered into by Seller and any Contractor; (4) all plans and specifications, architectural and engineering drawings, shop drawings, working drawings, prints, surveys,



reports, studies, amendments, modifications, changes, supplements, general conditions, and addenda and other documents; and (5) all licenses, permits and other approvals issued by any state, federal or local authority relating to the Project; and

3. Purchase Price Amount.

(a) The purchase price for the Property (exclusive of cash accounts constituting a part of the Property, if any) shall be three hundred sixty thousand and 00/100 Dollars (\$360,000) (the "**Purchase Price**"), which amount represents the appraised value of the Property in its condition on the Closing Date.

4. Closing; Closing Costs.

(a) The Closing shall take place through an escrow established with Placer Title Company (the "**Title Company**"). Closing shall occur on a date agreed to by Buyer and Seller on or before December 31, 2016 (the "**Closing Date**"). The parties shall execute escrow instructions reasonably approved by the parties and prepared by the Title Company.

(b) Buyer and Seller shall sign and complete all customary or reasonably required documents at or before the Closing Date.

(c) Fees for real estate closing services by the Title Company shall be paid at Closing by Buyer.

5. Title Commitment and Survey. Buyer shall order from the Title Company, at Buyer's expense, a commitment (or commitments) for an ALTA owner's policy of title insurance for the Property (collectively, the "**Title Commitment**"). The cost of title insurance and any additional premium to obtain coverage to insure over any unsatisfactory title exceptions shall be at the expense of Buyer. Buyer may also obtain, at Buyer's cost, an as-built survey (the "**Survey**") of the Property.

6. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer on and as of the date hereof and as of the Closing Date as follows:

(a) Seller has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required action and approvals therefor have been duly taken and obtained, including but not limited to, any approvals required pursuant to the PMP. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Seller are and shall be duly authorized to sign the same on Seller's behalf and to bind Seller thereto. This Agreement and all documents to be executed pursuant hereto by Seller are and shall be binding upon Seller in accordance with their respective terms. The transaction contemplated hereby will not result in a breach of or constitute a default under any agreement to which Seller or the Property is subject or by which Seller or the Property is bound.

(b) Seller owns fee simple title to the Property free and clear of all liens, encumbrances, options and restrictions of every kind, except for any Permitted Exceptions (as



defined below) and any exceptions shown on its current title insurance policies delivered to Buyer.

(c) Unless otherwise disclosed to Buyer, to Seller's knowledge, there are no claims, causes of action or other litigation or proceedings pending with respect to the ownership or operation of the Property, or any part thereof which could materially affect the Property, or the consummation of the transactions contemplated by this Agreement.

(d) Seller has not received any notice of any violations of any legal requirements with respect to the Property which have not been corrected, and to Seller's knowledge there is no condition existing with respect to the Property which violates any law, ordinance, rule, regulation or requirement, including, without limitation, those pertaining to zoning, building, health, safety or environmental matters, of the municipal, county, state or federal government.

(e) Neither Seller nor, to Seller's knowledge, any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

(f) Seller has not received, and has no other knowledge or information of, any notice from any insurance company or board of fire underwriters requesting the performance of any work or alteration with respect to the Property, or requiring an increase in the insurance rates applicable to the Property.

(g) As of the Closing Date, none of the work associated with the Project has been placed in service for federal income tax purposes.

(h) Seller will not take or cause to be taken or suffer any action that would cause any of the foregoing representations or warranties to be untrue as of the Closing Date. Seller shall immediately notify Buyer in writing of any event or condition that will cause a change in the facts relating to, or the truth of, any of the above representations or warranties. The representations, warranties and covenants contained in this section are intended to survive the Closing Date.

7. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller on and as of the date hereof and as of the Closing Date as follows:

(a) Buyer has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Buyer pursuant hereto, and all required action and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Buyer are and shall be duly authorized to sign the same on Buyer's behalf and to bind



Buyer thereto. This Agreement and all documents to be executed pursuant hereto by Buyer are and shall be binding upon Buyer in accordance with their respective terms.

(b) Buyer's execution and delivery of this Agreement will not result in a breach or violation or a default (or any event which with notice and passage of time, or both, would constitute a default) under any of Buyer's organizational documents or any contract, agreement, permit, license, order or decree to which Buyer is a party.

(c) Neither Buyer nor, to Buyer's knowledge, any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of OFAC of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism), or other governmental action.

8. Possession. Actual, sole and exclusive physical possession of the Property shall be given to Buyer on the Closing Date by delivery of Seller's Grant Deed, duly executed and acknowledged by Seller (the "Deed"), subject to the following, all of which shall be deemed "Permitted Title Exceptions":

(a) Except for any matters shown on the Title Commitment objected to by Buyer in writing prior to the Closing Date, all matters shown in the Title Commitment;

(b) Any title exceptions or encumbrances, arising by, through or under Buyer;

(c) Applicable zoning and governmental regulations and ordinances; and

(d) All matters created as a result of the transactions contemplated by this Agreement and all other instruments, documents and agreements to be executed in connection with Buyer's Business Plan.

9. Apportionments, Taxes, etc. Real estate taxes on the Property, personal property taxes, special district taxes, water and sewer rents, and other municipal charges shall be apportioned pro rata between Seller and Buyer on a per diem basis as of the Closing Date based on the most recent bill received or assessment due. Further, notwithstanding the foregoing, no prorations shall be made for any unpaid amounts due and payable prior to the Closing Date.

(a) Utility Meter Charges. Seller shall pay all outstanding charges accruing until the day prior to the Closing Date, for water, electric, gas and other utilities based upon the most recent bill received or assessment due, apportioned pro rata between Seller and Buyer on a per diem basis as of the Closing Date.

(b) Transfer and Documentary Stamp Taxes; Sales and Use Taxes. Any realty transfer taxes, documentary stamp taxes and similar taxes imposed upon the delivery and/or recording of the Deed or upon this transaction shall be paid by Seller. Any sales and use tax that may accrue because of this transaction shall be paid, when due, by Buyer.



10. Conditions of the Agreement.

(a) Conditions of Buyer. The obligations of Buyer under this Agreement are subject to the satisfaction at the time of Closing that Seller has performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to or as of the Closing Date (any of which may be waived in whole or in part in writing by Buyer at or prior to Closing).

(b) Conditions of Seller. The obligations of Seller under this Agreement are subject to the satisfaction at the time of Closing that Buyer has performed all covenants, agreements and conditions required by this Agreement to be performed by Buyer prior to or as of the Closing Date (any of which may be waived in whole or in part in writing by Seller at or prior to Closing). The agreement is subject to Fresno Housing Authority board approval(s), an award of low income housing tax credits and subject to satisfactory due diligence as determined by the Buyer.

11. Buyer's Inspection. Buyer acknowledges and agrees that Buyer, or a representative on Buyer's behalf, has examined the Property, the Title Commitment, and all aspects of the operations and physical condition of the Property, to Buyer's satisfaction. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS", EXCEPT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE IN THIS AGREEMENT. BUYER HAS NOT RELIED AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR RELATING THERETO, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING, UNLESS SPECIFICALLY SET FORTH IN THIS AGREEMENT. SELLER ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS AND TAKES INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD "AS-IS."

12. Items to be Delivered at Closing by Seller. At Closing, Seller shall deliver to Buyer (or to Buyer's nominee) the following:

(a) The Deed, duly executed and acknowledged;

(b) Such resolutions and certificates as Buyer or the Title Company shall require to evidence the due authorization of the execution and performance of this Agreement and the documents to be delivered pursuant hereto; together with Seller's organizational documents, and all affidavits, indemnities and other agreements, documents or reports required by the Title Company to permit it to issue to Buyer the owner's policy of title insurance required pursuant to Section 5 hereof;

(c) A signed copy of the closing statement prepared by the Title Company;



(d) A certificate given pursuant to the Foreign Investment in Real Property Tax Act certifying that Seller is not a foreign entity or person, if required by Buyer at closing;

(e) Any other documents required to be delivered by Seller pursuant to any other provisions of this Agreement or as otherwise required by the Title Company or California law.

13. Items to be Delivered at Closing by Buyer. At Closing, Buyer shall deliver to Seller (or to Seller's nominee) the following:

(a) The Purchase Price (adjusted by any prorations contemplated herein);

(b) A signed copy of the closing statement prepared by the Title Company;

(c) Such resolutions and certificates as Seller or the Title Company shall require to evidence the due authorization of the execution and performance of this Agreement and the other documents to be delivered pursuant hereto, together with Buyer's organizational documents, and all affidavits, indemnities and other agreements, documents or reports required by the Title Company to permit it to issue to Buyer the owner's policy of title insurance pursuant to the Title Commitment; and

(d) Any other documents required to be delivered by Buyer pursuant to any other provisions of this Agreement, or as otherwise required by the Title Company or California law.

15. Brokerage. Buyer represents and warrants to Seller that Buyer has dealt with no broker, finder or other intermediary in connection with this sale. Seller represents and warrants to Buyer that Seller has dealt with no broker, finder or other intermediary in connection with this sale. The provisions of this Section shall survive Closing.

16. Notices. All notices, demands, requests or other communications from either party to the other party, required or permitted under the terms of this Agreement (a) shall be in writing, (b) shall be deemed to have been provided on the earlier of (i) (1) forty-eight (48) hours after being sent as certified or registered mail in the United States mails, postage prepaid, return receipt requested, or (2) the next business day after having been deposited (in time for delivery by such service on such business days) with Federal Express or another national courier service, or (3) (if such party's receipt thereof, is acknowledged in writing) upon having been sent by telefax or another means of immediate electronic communication, in each case to the address of such party set forth hereinabove or to such other address in the United States of America as such party may designate from time to time by notice to the other party hereto, or (ii) (if such party's receipt thereof, is acknowledged in writing) its having been given by hand or other actual delivery to such party. Notwithstanding the foregoing, any notice of default shall be deemed to have been provided only upon receipt or refusal as evidenced by return receipt, courier receipt or other receipt provided by the overnight delivery service.



17. Miscellaneous.

(a) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement may not be assigned by either party hereto without the written consent of the other party hereto; provided that Buyer may assign this Agreement without the consent of Seller to a limited partnership of which Buyer, an affiliate of Buyer or an entity in which Buyer is a sole member, is a partner.

(b) Entire Agreement; Governing Law. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, supersedes all prior or other negotiations, representations, understandings and agreements of, by or among the parties, express or implied, oral or written, which are fully merged herein. Any agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of this Agreement unless such agreement is in writing and signed by the party against whom enforcement of such change, modification, discharge or abandonment is sought. This Agreement shall be governed by and construed under the laws of California.

(c) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected on this Agreement as the signatories.

(d) No Waiver. Neither the failure nor any delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

(e) Time of the Essence. Time, wherever stated in this Agreement, is declared to be of the essence of this Agreement.



IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Agreement as of the day and year first above written.

**SELLER:**

CITY OF FIREBAUGH, SUCCESSOR  
HOUSING AGENCY, a municipal corporation

By: \_\_\_\_\_  
Kenneth Mc Donald  
City Manager

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Rita Lozano  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Dale E. Bacigalupi  
Agency Attorney

**BUYER:**

HOUSING AUTHORITY OF FRESNO COUNTY,  
CALIFORNIA, a California public body corporate  
and politic

By: \_\_\_\_\_  
Preston Prince  
CEO/Executive Director



**EXHIBIT A**

**LEGAL DESCRIPTION**

Real property in the City of Firebaugh, County of Fresno, State of California, described as follows:

**PARCEL 1:**

All that certain real property situate, lying, and being a portion of Sections 28 and 29, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 7, 8, 9 and 10 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

**Parcel 2:**

All that certain real property situate, lying, and being a portion of Sections 28, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 1, 2, 3, 4, 5 and 6 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

**ASSESSOR'S PARCEL NO: 008-075-03 AND 008-075-11**