

CHICAGO PIET DIVISION LSI TITLE CO

**RECORDING REQUESTED BY and  
WHEN RECORDED MAIL TO:**

CITY CLERK  
COMMUNITY DEVELOPMENT  
COMMISSION  
CITY OF COMMERCE  
2535 COMMERCE WAY  
COMMERCE, CALIFORNIA 90040

08/08/08



**20081429134**

82506127

(Exempt from Recording Fees Pursuant Government Code § 6103)

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

**COVENANT RUNNING WITH THE LAND and GRANT OF LIEN  
(PAYABLE ONLY UPON SALE OR TRANSFER)**

Re: Assessor's Parcel Number 5243-024-007

City of Commerce, California 90040

THE UNDERSIGNED, Rebecca and Fernando Villanueva, COLLECTIVELY  
HEREINAFTER REFERRED TO AS "OWNERS," whose address is: 2311 Ayers  
Avenue, City of Commerce, Los Angeles County, California, described as follows:

Tract No. 8047 NE 20 feet of Lot 715 and SW 20 feet of Lot 716, as per map recorded  
in Book 95 pages 18 and 19 of Maps, Records of Los Angeles County, California.  
Assessor's Parcel No. 5243-025-009 (such property hereinafter being referred to as  
"THE SUBJECT PROPERTY") do hereby GRANT A LIEN and COVENANT with THE  
COMMERCE COMMUNITY DEVELOPMENT COMMISSION, 2535 Commerce Way,  
Commerce, California 90040, as a covenant running with the land, enforceable by the  
Commerce Community Development Commission, a public body, corporate and politic,  
as follows:

THE OWNERS hereby acknowledge the receipt of financial assistance, services,  
repairs and improvements or other benefits provided or paid for by the Commerce  
Community Development Commission, which assistance has heretofore been made, or  
is intended to be made following the execution of this agreement, or both, to property  
occupied by OWNERS, as his, her or their primary residence, situated in the City of  
Commerce, Los Angeles County, California, known as THE SUBJECT PROPERTY and  
covenant running with the land as to THE SUBJECT PROPERTY, for the purposes and  
subject to the terms and conditions set forth hereinafter.

"OWNERS" shall include the singular or the plural to represent all owners of THE  
SUBJECT PROPERTY.

THIS AGREEMENT MAY CONSTITUTE A LIEN ON THE SUBJECT PROPERTY.

OWNERS COVENANT AND AGREE THAT THE SUBJECT PROPERTY SHALL BE USED AND OCCUPIED AS THE PRIMARY RESIDENCE OF HIMSELF, HERSELF OR THEMSELVES, AND FURTHER AGREES THAT IN THE EVENT THE PROPERTY IS TRANSFERRED TO PERSON(S) OTHER THAN IMMEDIATE FAMILY, OR SOLD, ANY SUCH TRANSFER SHALL BE SUBJECT TO THE LIEN AND COVENANT GRANTED TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION BY THIS AGREEMENT.

AMOUNT SECURED: IF THIS PROPERTY IS SOLD, TRANSFERRED OR RENTED, THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION SHALL BE ENTITLED TO RECOVER FROM OWNERS, TRANSFEREE OR BUYER, OR ANY OR ALL OF THEM, AN AMOUNT CONSISTING OF THE GRANT AMOUNT WITH 2% INTEREST ACCRUED ON AN ANNUAL BASIS. THE PARTIES AGREE THAT SAID AMOUNT TO BE PAID TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION REPRESENTS THAT PORTION OF THE SALES PRICE OR THAT PORTION OF THE VALUE OF THE PROPERTY TRANSFERRED REPRESENTING THE AMOUNTS CONTRIBUTED BY THE INVESTMENT OF THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION IN REPAIRS AND IMPROVEMENTS OR OTHER FINANCIAL ASSISTANCE TO THE PROPERTY WHICH WAS PAID FOR FROM AFFORDABLE HOUSING FUNDS OF THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION, INCLUDING AMOUNTS ADVANCED PRIOR TO THE DATE OF THIS INSTRUMENT, ON THE DATE OF THIS INSTRUMENT, AND SUBSEQUENT TO THE DATE OF THIS INSTRUMENT. IN THE EVENT THE AMOUNT CONTRIBUTED BY THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION EXCEEDS THE ACTUAL VALUE OF THE PROPERTY, THAT FACTOR SHALL BE CONSIDERED, BUT SHALL NOT BE DETERMINATIVE OF THE AMOUNTS DUE TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION FROM OWNERS, THE TRANSFEREE AND/OR THE BUYER, OR ANY OR ALL OF THEM. COMMERCE COMMUNITY DEVELOPMENT COMMISSION SHALL PROVIDE THE OWNERS WITH A STATEMENT OF THAT TOTAL AMOUNT OWED TO IT BY THE OWNERS WITHIN TEN (10) DAYS AFTER WRITTEN REQUEST THEREFORE.

IF OWNERS GIVE NOTICE TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION IN ADVANCE OF ANY SUCH SALE OR TRANSFER OF THE INTENT TO EXECUTE SUCH A SALE OR TRANSFER, THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION SHALL MAKE A DETERMINATION AS TO THE AMOUNT DUE, IF ANY, UNDER THIS LIEN.

**TERM:**

THIS AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL TEN (10) YEARS FROM THE DATE OF THE RECORDING OF THIS AGREEMENT, OR UNTIL

03 MAR 2014

SUCH EARLIER DATE AS THIS LIEN AND COVENANT AGREEMENT IS RELEASED BY THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION.

NO BUILDING OR IMPROVEMENT UPON THE SUBJECT PROPERTY SHALL BE REMOVED FROM ITS PRESENT LOCATION WITHOUT THE WRITTEN CONSENT OF THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION, WHICH WRITTEN CONSENT WILL NOT BE UNREASONABLY REFUSED.

IN THE EVENT THE SUBJECT PROPERTY IS OR BECOMES IN SUCH CONDITION AS TO BE CLASSIFIED AS SUB-STANDARD HOUSING, THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION SHALL HAVE THE OPTION AT THE TIME OF ANY PROPOSED TRANSFER OR SALE BY OWNERS, HIS, HER OR THEIR HEIRS, ADMINISTRATORS, EXECUTORS AND ASSIGNS, OR HIS, HER OR THEIR SUCCESSORS IN INTEREST, TO BUY THE PROPERTY FROM OWNERS AND TAKE TITLE TO THE PROPERTY AND PAY TO THE OWNERS THE REASONABLE VALUE OF OWNERS' INTEREST IN SUCH PROPERTY, AFTER DEDUCTION OF AMOUNTS DUE TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION. THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION SHALL HAVE NO OBLIGATION TO CONSENT TO THE SALE OR TRANSFER OF SUB-STANDARD HOUSING, AND SHALL HAVE THE RIGHT TO ENFORCE THIS OPTION AGREEMENT AT THE TIME OF ANY SUCH PROPOSED TRANSFER OR SALE, OR AT ANY TIME AFTER ANY SUCH TRANSFER OR SALE WHEN THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION BECOMES AWARE OF SUCH TRANSFER OR SALE.

This Covenant shall apply to, and continue to run with the land described herein, unless and until released by the Commerce Community Development Commission. Any sale or transfer of the property without full compliance with the terms hereof shall be deemed a violation of this Covenant, in which event, the grantor, their heirs, executors, administrators and assignees, and any other successor in interest to the property, shall be liable to the Commerce Community Development Commission for all reasonable costs and attorney fees reasonably necessary to seek abatement and/or enforcement of the terms of this Covenant, or to recover funds invested from the Commerce Community Development Commission's Affordable Housing Fund. This Covenant shall remain in full effect unless and until released by the Commerce Community Development Commission, a public body, corporate and politic, or its successor.

IN WITNESS WHEREOF, THE OWNERS have hereunto executed this document the  
21 day of July 2008.

By: Fernando A. Villanueva  
Fernando A. Villanueva  
Owner

By: Rebecca Villanueva  
Rebecca Villanueva  
Owner

ACCEPTED BY:

Commerce Community Development Commission

Heriberto Valdes  
Heriberto Valdes  
Community Development Coordinator

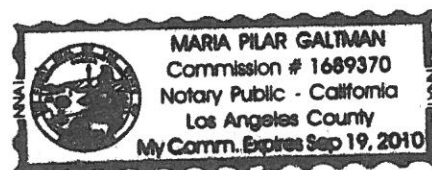
STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } S.S.

ON July 21<sup>st</sup> <sup>2008</sup> before me, Maria Pilar Galtman <sup>Notary Public</sup> (here insert name and title of the officer), personally appeared Rebecca Villanueva prove to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Maria Pilar Galtman



08 1429134

STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } S.S.

ON 7/22/08 before me, Maria Pilar Galtman <sup>Notary Public</sup> (here insert name and title of the officer), personally appeared Fernando A. Villarueva — prove to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Maria Pilar Galtman

