

**SECOND AMENDMENT TO
DISPOSITION AND DEVELOPMENT AGREEMENT**

THIS SECOND AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT (the "Amendment") is dated as of February 22, 2022 and is entered into by and between the CITY OF TEMECULA, as successor of the housing assets of the former Temecula Redevelopment Agency (the "City"), and TEMECULA PACIFIC ASSOCIATES, a California limited partnership ("Developer").

RECITALS

A. City and Developer entered into that certain Disposition and Development Agreement as of June 25, 2019, which was amended by a First Amendment to Disposition and Development Agreement dated November 10, 2020 ("Agreement").

B. City and Developer desire to further amend the Agreement to increase the amount of the permanent loan to be made by City under the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants contained in this Amendment, the parties hereto agree as to amend the Agreement as follows:

1. Increase in City Permanent Loan Amount. The City's permanent loan amount is hereby increased by \$4,000,000 (from \$1,301,719 to \$5,301,719), and the first two paragraphs of Section 2.2 of the DDA are deleted and are replaced with the following:

"City shall make loans to Developer in the amount of (i) the Purchase Price; (ii) \$698,281.00 of deferred City fees (consisting of development impact fees, Quimby fees, building permit fees, public works fees, fire dept. fees); and (iii) \$5,301,719 as a permanent loan (the "City Permanent Loan"), all on the terms set forth in the promissory note ("City Loan Promissory Note") attached hereto as Exhibit "C"."

2. Conflict. Except as amended herein, the Agreement remains in full force and effect. To the extent of any conflict between this Amendment and the Agreement, this Amendment shall govern.

3. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed as original but all of which together shall constitute one and the same instrument.

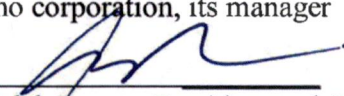
IN WITNESS WHEREOF, the parties hereto have entered into this Amendment as of the day and year first above written.

DEVELOPER:

TEMECULA PACIFIC ASSOCIATES


By: TPC Holdings IX, LLC
an Idaho limited liability company

By: Pacific West Communities, Inc.,
an Idaho corporation, its manager

By: 
Caleb Roope, President and CEO

CITY:


CITY OF TEMECULA

By: 
Mayor, Matt Rahn

ATTEST:


Randi Johl, City Clerk

APPROVED AS TO FORM:

By: 
~~Bruce Galloway~~ of Richards,
Watson & Gershon, counsel to City
Peter M. Thorson, City Attorney