

EXHIBIT C**TERMINATION OF REGULATORY AGREEMENT****RECORDING REQUESTED BY:****WHEN RECORDED MAIL TO:**

Good Wildman
 19000 MacArthur Blvd, Suite 575
 Irvine, CA 92612
 Attn: Robert W. Dyess, Jr.

TERMINATION OF REGULATORY AGREEMENT

This Termination of Regulatory Agreement (this “**Termination**”), is entered into and executed by Costa Mesa Village, Ltd., a California limited partnership (“**Seller**”), Costa Mesa Housing Authority (“**CMHA**”), and Orange County Housing Authority (“**OCHA**”).

RECITALS

A. Seller is the owner of certain improved real property known as Costa Mesa Village Apartments consisting of a 97-unit residential apartment complex located at 2450 Newport Blvd, Costa Mesa, California 92627 and more particularly described on Exhibit A Attached hereto (the “**Property**”).

B. The Property is subject to restrictions set forth in that certain Regulatory Agreement and Declaration of Restrictive Covenants, by and among Seller, CMHA and OCHA, recorded as Document No. 93-0517026 in the Official Records of Orange County, California (the “**Official Records**”), as amended by First Amendment to Regulatory Agreement and Declaration of Restrictive Covenants, recorded as Document No. 2003000364959 in the Official Records (collectively, the “**Regulatory Agreement**”).

C. Seller is in escrow for the sale of the Property to Century Affordable Development, Inc., a California nonprofit public benefit corporation, or its permitted assignee (“**Buyer**”).

D. CMHA, OCHA and Buyer have agreed to enter into an amended and restated regulatory agreement (the “**Replacement Regulatory Agreement**”) upon the closing of the sale of the Property by Seller to Buyer.

E. Seller, CMHA, and OCHA have agreed to terminate the Regulatory Agreement under the terms and conditions described herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

AGREEMENT

1. Termination of Regulatory Agreement. Upon (i) the close of escrow for the sale of the Property (the “**Closing**”) from Seller to Buyer and (ii) the execution and recording of the Replacement Regulatory Agreement, the existing Regulatory Agreement is hereby terminated.

2. Release of Seller. CMHA and OCHA hereby release Seller from all obligations of Seller under the Regulatory Agreement and from all claims each of CMHA and OCHA may have, now or in the future, against Seller, but excluding any claims a third party may have against Seller. CMHA and OCHA each hereby acknowledge that it has read and is familiar with the provisions of California Civil Code § 1542 (“**Section 1542**”), which are set forth below:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Each of CMHA and OCHA hereby waives the provisions of Section 1542 and of any statute, principle of common law or case law which would limit the scope of the foregoing waiver and release, in connection with matters which are the subject of the foregoing waiver and release.

_____ **CMHA’s Initials**

_____ **OCHA’s Initials**

3. Purpose. This Termination is executed and recorded for the purpose of imparting notice of the termination of the Regulatory Agreement, and the respective rights and obligations thereunder.

4. Construction; Governing Law. This Termination shall be construed according to its fair meaning and as if prepared by all parties hereto. This Termination shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. The headings used in this Termination are for convenience only and are not to be used to interpret the meaning of any of the provisions of this Agreement.

5. Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of said counterparts shall be deemed an original hereof.

SELLER:

Costa Mesa Village, Ltd.,
a California limited partnership

By: William M. Crawford Co. Inc.,
a California corporation,
General Partner

By: _____
William F. Pavone, Jr.,
President

CMHA:

Costa Mesa Housing Authority,
a public body, corporate and politic

By: _____
Name: _____
Its: _____

OCHA:

Orange County Housing Authority,
a public body, corporate and politic

By: _____
Name: _____
Its: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss:

On _____, 20____, before me, _____,
Notary Public, personally appeared William F. Pavone, Jr., who proved 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.

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss:

On _____, 20____, before me, _____,
Notary Public, personally appeared _____, who proved 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
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foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A

PROPERTY DESCRIPTION

THAT PORTION OF LAND DEPICTED ON EXHIBIT "A" OF LOT LINE ADJUSTMENT LL-84-08, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DISCLOSED BY RESOLUTION NO. PC-84-12, RECORDED JULY 2, 1984, AS INSTRUMENT NO. 84-272684, AND RE-RECORDED JANUARY 21, 1985, AS INSTRUMENT NO. 85-021905, BOTH OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1:

THE NORTHEASTERLY RECTANGULAR ONE-HALF OF LOT 57, AND THE SOUTHWESTERLY RECTANGULAR ONE-HALF OF LOT 59 OF TRACT NO. 300, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGES 11 AND 12 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY.

PARCEL 2:

THE SOUTHEASTERLY 150 FEET OF THE NORTHEASTERLY RECTANGULAR ONE-HALF OF LOT 59 OF TRACT NO. 300, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGES 11 AND 12, OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY.

PARCEL 3:

THE SOUTHWESTERLY ONE-HALF OF LOT 57 OF TRACT NO. 300, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGES 11 AND 12, OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY.

APN: 439-281-48