

Regulatory Agreement

**by and between
UNITED and HUD**

Regulatory Agreement dated the first day of July, 1964 by and between Laguna Hills Mutual No. Three (hereinafter called the MORTGAGOR, whose address is ROSSMOOR LEISURE WORLD OF LAGUNA HILLS, ORANGE COUNTY, CALIFORNIA party of the first part, and Philip N. Brownstein, as FEDERAL HOUSING COMMISSIONER (HUD) (hereinafter called the Commissioner) acting pursuant to authority granted him by the NATIONAL HOUSING ACT 213, as amended, (hereinafter referred to as the ACT), party of the second part.

WHEREAS, the Mortgagor is the Owner of certain premises upon which is to be erected, or has been erected, a cooperative housing project, designated as FHA Project No. 122-30344M and has requested United California Bank, a California corporation (hereinafter referred to, as the Mortgagee) to lend the sum of Eight Million Three Hundred Fifty-four Thousand One Hundred and 00/100 dollars (\$8,354,100.00) to be secured by a certain Note and Deed of Trust (hereinafter referred to as the Mortgage); and which Mortgage is to be recorded simultaneously herewith.

WHEREAS, the premises encumbered (or to be encumbered) by the above referred to mortgage are located in County of Orange and State of California and are more particularly described in Exhibit A attached hereto, and made a part hereof, and

WHEREAS, the Mortgagor and Mortgagee have requested the Commissioner (HUD) to endorse said Note

for mortgage insurance pursuant to (Section 213) of Title 11 of the Act; and

WHEREAS, the Mortgagee is unwilling to lend said sum to the Mortgagor without a Contract of Mortgage Insurance evidenced by such endorsement, and the Commissioner is unwilling to endorse the Note for mortgage insurance unless and until the Mortgagor shall, by entering into the covenants and agreements set forth below, consent to be regulated and restricted by the Commissioner as provided in the Act.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) in hand paid, and other good and valuable considerations by each party to the other, the receipt of which is hereby acknowledged, and in order to induce the Commissioner to endorse for mortgage insurance the Note secured by said Mortgage, and in order that the Mortgagor may be regulated and restricted by the Commissioner as provided for in said (Section 213) and the applicable Rules, the parties hereto agree as follows: that as long as the CONTRACT of Mortgage Insurance continues in effect, and during such further period of time as the Commissioner shall be-the owner, holder, or reinsurer of the mortgage, or during any time , the Commissioner is obligated to insure a Mortgage on the Mortgaged Property:

(See One thru Twenty Eight listed in this Regulatory Agreement.)