

(RA-98-25)

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. 2795

ADOPTED ON DECEMBER 2, 1997

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE ASSIGNMENT AND ASSUMPTION AGREEMENT AND THE LOAN MODIFICATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AND JOHN G. DAVIES ("PURCHASER").

WHEREAS, the Redevelopment Agency of The City of San Diego ("Agency") is engaged in activities necessary to carry out and implement the Redevelopment Plan in the Centre City East Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project; and

WHEREAS, in order to carry out and implement such Redevelopment Plan, Agency has heretofore entered into a sublease of the property ("Property") described in a Memorandum of Sublease recorded on August 26, 1996, as Instrument No. 1996-0431265; and

WHEREAS, Cuatro Corporation ("Seller") executed a Subleasehold Deed of Trust dated May 17, 1996, in which Agency is named as Beneficiary and Chicago Title Company as Trustee, and recorded against the Property on August 26, 1996, as Instrument No.

1996-0431264, which Deed of Trust is security for a promissory note dated as of May 17, 1996, executed by the Seller as "Borrower," payable to Agency, in the principal sum of \$450,000 (the "Promissory Note"); and

WHEREAS, in connection with the loan evidenced by the Promissory Note and secured by the Deed of Trust, Seller and Agency entered into that certain Agreement Affecting Real Property (Including Rental Restrictions), dated as of May 17, 1996, and recorded against the Property on August 26, 1996, as Instrument No. 1996-0431263; and

WHEREAS, Seller and Purchaser have entered into an Agreement of Purchase and Sale and Joint Escrow Instructions dated July 1, 1997, under which Purchaser has agreed to purchase Seller's interest in the Property and to assume the Promissory Note and Deed of Trust as part of the purchase price for the Property to be paid by Purchaser to Seller; and

WHEREAS, as part of the transaction, Seller shall pay to Agency the sum of \$15,000, to reduce the outstanding principal amount of the Agency Loan; and

WHEREAS, concurrently herewith, the Agency and Purchaser are entering into that certain Modification Agreement, dated on or about the date hereof (the "Modification Agreement"), to effectuate the changes to the Promissory Note and Deed of Trust which are set forth in the Modification Agreement; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of The City of San Diego, as follows:

1. That the Executive Director of the Agency, or designee, is authorized, on behalf of the Agency, to approve:
 - a. The Assignment and Assumption Agreement, a copy of which is on file in the office of the Secretary to the Agency as Document No. D-02795a.
 - b. Modification Agreement, a copy of which is on file in the office of the Secretary to the Agency as Document No. D-02795b.
2. That the Executive Director of the Agency, or designee, is authorized on behalf of the Agency, to sign all documents necessary and appropriate to carry out and implement the Agreements and to administer the Agency's obligations, responsibilities, and duties to be performed under the Agreements.

APPROVED: CASEY GWINN, General Counsel

By

Allisyn L. Thomas
Deputy General Counsel

ALT:lc

11/13/197

Or.Dept:CCDC

Aud.Cert:N/A

RA-98-25

Form=rda&t.frm