

WATERLOO COMMUNITY DEVELOPMENT

Prepared by Community Development Board, 620 Mulberry Street, Waterloo, Iowa 50703 (319) 291-4429

**AGREEMENT FOR COVENANTS AND RESTRICTIONS
(RENTAL PROPERTY)**

THIS AGREEMENT FOR COVENANTS AND RESTRICTIONS, dated October 1, 2005, is between the City of Waterloo Community Development Board, (the "City"), and Roosevelt Housing Partners, L. P. (the "Recipient").

WITNESSETH:

WHEREAS, the City has been designated as an Entitlement City of the HOME Investment Partnership Program (the "Program") by the Department of Housing and Urban Development; and

WHEREAS, the Recipient has applied for and received approval for funding from the Program, and has entered into a Contract Number HM14B-0007 by and between the Recipient and the City (the "Contract"), and

WHEREAS, pursuant to the Contract, the City will make an award in the amount of \$100,000.00 (the "Award") to the Recipient for the purpose of financing a portion of the costs of the Project described as Roosevelt Housing Partnership (the "Project") to be located on the real estate described in Attachment A hereto; and

WHEREAS, the Award of HOME Funds is necessary to make the Project economically feasible for the Recipient; and

WHEREAS, in accordance with the Contract, the Recipient is required to provide certain Housing Benefits for Very Low- and Low- and Moderate-Income Families as set forth in the Contract, and is further required to comply throughout the Affordability Period (five years) with the requirements and covenants set forth in the Contract.

NOW, THEREFORE, in consideration of the premises and for other valuable consideration the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. As a condition to receipt of Award proceeds, and in order to help ensure compliance by the Recipient and any future owner of the Project with the requirements and covenants set forth in the Contract throughout the required period of time (5 years), so as to maintain the housing benefits for which assistance has been provided through the Program and therefore protect the investment of the City and the Program in the Project, and in order to give the City the ability to fulfill its obligations under the Program to ensure such compliance, certain covenants and restrictions enforceable by the City must be placed on the real estate

described in Attachment A hereto governing the use of the Project, which covenants and restrictions shall run with the land and be binding on the Recipient and its successors or assigns, the Recipient, for itself and for its successors or assigns, makes the following covenants as to the use of the Project and the real estate described in Attachment A:

- (a) The Project shall constitute an eligible project in compliance with the Program as described in the Contract, and the Recipient shall comply with all of the requirements of the Program and shall own, operate and manage the Project as set forth as an eligible project for at least five (5) years beyond the Work Completion Date, ("Term of Affordability").
- (b) All of the proceeds of the Award shall be spent on Eligible Costs of the Project, in accordance with the HOME Program;
- (c) The Project shall be completed so as to provide the Project Benefits as required by and specified in 24 CFR Part 92 and as referenced in the Contract;
- (d) At the time of initial project occupancy, the Recipient will maintain income targeting as specified in Section 92.216 of 24 CFR Part 92;
- (e) Throughout at least the Term of Affordability, the Recipient will maintain income and rent limitations as specified in Section 92.252 of 24 CFR Part 92;
- (f) Throughout at least the Term of Affordability, the Recipient shall conduct inspections of Program-assisted units to ensure compliance with the property standards as specified in sections 92.251 and 92.504(d)(1) of 24 CFR Part 92;
- (g) In order to ensure compliance with the covenants in subparagraphs (d), (e) and (f) above, Recipient shall submit to the City, as required by the Contract, its certification of compliance with such covenant, together with documentation in form and substance satisfactory to the City evidencing compliance with such covenant;
- (h) The Recipient shall comply with all of the covenants set forth in the Contract.

2. All of the covenants herein shall run with the real estate described in Attachment A hereto and the Project thereon, and be binding upon the Recipient and its successors or assigns, for the Term of Affordability. Notwithstanding any other provisions of this Agreement, this entire Agreement, or any of the provisions or paragraphs hereof, may be terminated upon written agreement by the City and the Recipient.

3. Notwithstanding the provisions of Paragraph 2 above, such covenants shall cease to apply to the real estate described in Attachment A and the Project thereon prior to the end of the Term of Affordability, in the event of involuntary noncompliance therewith caused by a fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in a federal law or action of a federal agency after the date of making of the Award which prevents the City or its successors or assigns from enforcing the covenants, or condemnation or similar event, but only if, within a reasonable period, amounts received by the Recipient as a consequence of such event are used to provide a project which meets the requirements of the Program.

4. Notwithstanding the provisions of Paragraph 3 above, if once the Project has been subject to foreclosure, transfer of title by deed in lieu of foreclosure or similar event, and at any time during the part of the Term of Affordability subsequent to such event, the Recipient or a related person to the Recipient obtains an ownership interest in the Project for tax purposes, the covenants herein shall once again run with the real estate described in Attachment A hereto and the Project thereon and be binding on the Recipient or such related person and their respective successors or assigns for the remainder of the Term of Affordability.

5. This Agreement may be amended only by an amendment in writing executed by the parties hereto and properly recorded in the County Recorder's office.

6. Except for the rental of units in the Project to tenants, the Recipient hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project or any interest therein without obtaining the prior written consent of the City, which shall be conditioned solely upon receipt of evidence satisfactory to the City that the Recipient's purchaser or transferee (i) has assumed in writing and in full the Recipient's duties and obligations under the Agreement and the Contract, (ii) has the financial capability to carry out such obligations; and (iii) is knowledgeable in the operation and management of facilities similar to the Project facilities. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section may be ineffective to relieve the Recipient of its obligations under this Agreement and the Contract.

7. If the Recipient defaults in the performance or observance of any covenant, agreement or obligation of the Recipient set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after notice thereof shall be given by the City to the Recipient (or for a period of sixty (60) days after such notice if such default is curable but requires acts to be done or conditions to be remedied which, by their nature, cannot be done or remedied within such 30-day period, and if the Recipient commences same within such 30-day period and thereafter diligently and continuously pursues the same to completion within such 60-day period), then the City may declare that the Recipient is in default hereunder and may take any one or more of the following steps, at its option:

(a) by mandamus or other suit, action or proceeding at law or in equity, require the Recipient to perform its obligations and covenants hereunder, or enjoin any acts or things which may be unlawful or in violation of the rights of the City hereunder, or obtain damages caused to the City by such default;

(b) have access to and inspect, examine and make copies of all of the books and records of the Recipient pertaining to the Project;

(c) declare a default under the Contract and make no further disbursements of Award proceeds, and demand immediate repayment from Recipient of some or all of the Award proceeds previously disbursed to Recipient; and

(d) take whatever other action at law or in equity may appear necessary or desirable to enforce the obligations, covenants and agreements of the Recipient hereunder and under the Contract, including the recovery of Award proceeds.

No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of the City to enforce the same or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times.

8. The Recipient shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in such manner and in such places and the City may reasonably request, and shall pay all fees and charges incurred in connection therewith. The Recipient shall return the original stamped Agreement to the City after it has been recorded.

9. This Agreement shall be governed by the laws of the State of Iowa.

10. Any notice required to be given hereunder shall be given by registered or certified mail at the addresses specified below or at such other addresses as may be specified in writing by the parties hereto:

CITY: City of Waterloo
Community Development Board
620 Mulberry Street, Suite 202
Waterloo, Iowa 50703

RECIPIENT: Roosevelt Housing Partners, L. P.
10642 West 115th Street
Overland Park, Kansas 66210

11. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

12. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument and each of which shall be deemed to be an original.

13. All of the rights and obligations set forth herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement of Covenants and Restrictions to be executed by their duly authorized officers, all as of October 1, 2005.

CITY:
CITY OF WATERLOO, IOWA
COMMUNITY DEVELOPMENT BOARD
620 Mulberry Street, Suite 202
Waterloo, Iowa 50703

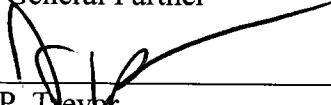
BY:



Rudy D. Jones
Community Development Director

RECIPIENT:
ROOSEVELT HOUSING PARTNERS, LP
10642 West 115th Street
Overland Park, Kansas 66210

BY: Roosevelt Housing Development, LLC
Its: General Partner



Jay P. Trever
Manager

COMMUNITY DEVELOPMENT ACKNOWLEDGMENT

STATE OF IOWA)
) SS.
BLACK HAWK COUNTY)

On this 18th day of October, 2005, before me, the undersigned Notary Public in and for the State of Iowa, personally appeared Rudy D. Jones, who being by me duly sworn, did say that he is the Community Development Director for the City of Waterloo, Community Development Board, the public agency of the State of Iowa executing the within and foregoing instrument; and that said Rudy D. Jones, as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said agency by it and by him voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Anna M. Northey
Notary Public in and for the State of Iowa



CONTRACTOR ACKNOWLEDGMENT

(Limited Partnership)

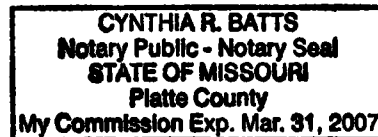
Missouri
STATE OF ~~KANSAS~~)
) SS.
Jackson
COUNTY OF ~~JOHNSON~~)

On this 14th day of October, 2005, before me, the undersigned, a Notary Public in and for the ^{Missouri} State of ~~Kansas~~, personally appeared Jay Trevor, to me personally known, who being by me duly sworn did ^{neg} say that he is the President of Roosevelt Housing Development, General Partner, the General Partner of Roosevelt Housing Partners, L. P., and Iowa limited partnership, executing the foregoing instrument, that no seal has been procured by the partnership; that the instrument was signed on behalf of Roosevelt Housing Development, General Partner as General Partner of Roosevelt Housing Partners, L. P., and Iowa limited partnership, by authority of the limited partnership; and that Jay Trevor as authorized representative of the Iowa limited partnership acknowledged execution of the instrument to be the voluntary act and deed of the authorized representative and limited partnership by it and by the officer voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Cynthia R. Batts
Notary Public in and for the State of ~~Kansas~~

Missouri
neg



ATTACHMENT A

LEGAL DESCRIPTION

Lots 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17, Gates Park Place, Block 2, and that part of the vacated north-south alley in said Block 2 lying east of Lots 6-11 and west of Lots 12-17, County of Black Hawk, City of Waterloo, State of Iowa, together with any easements and appurtenant servient estates, but subject to any reasonable easements of record for public utilities or roads, any zoning restrictions, and customary restrictive covenants of record, if any, herein referred to as the "Property".