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ADDENDUM TO LAND USE RESTRICTION AGREEMENT FOR  
LOW INCOME HOUSING TAX CREDITS

This Addendum to Land Use Restriction Agreement for Low-Income Housing Tax Credits ("Addendum") is entered into this 25th day of November, 19 92 between the NEBRASKA INVESTMENT FINANCE AUTHORITY (the "Authority"), a body politic and corporate, not a state agency but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska, and J Street Limited Partnership (the "Owner"), and is incorporated into and shall be deemed to amend and supplement the Land Use Restriction Agreement for Low Income Housing Tax Credits (the "Agreement") between the Authority and the Owner, filed with respect to the property described in Exhibit A hereto and recorded in the official records of Douglas County, Nebraska in Misc. Book 988, at Page 431-451.

WHEREAS, the Authority allocated to the Owner certain federal low-income housing tax credits with respect to the rental housing development located and described on the Summary Page of the Agreement (the "Project"), which Project is located at the legal description set forth in Exhibit A to this Addendum (the "Project"); and

WHEREAS, the Owner and the Project are required by the Agreement to continuously comply with Section 42 and other applicable sections of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"); and

WHEREAS, by entering into the Agreement, the Owner consented to be regulated by the Authority in order that the Authority may enforce the occupancy restrictions and other covenants, terms and conditions of the Agreement in accordance with the Code and the Regulations; and

WHEREAS, pursuant to Section 6 of the Agreement, the Authority is authorized and entitled to do all acts necessary to comply with the monitoring and notification responsibilities set forth in Section 42(m)(1)(B)(iii) of the Code and any regulations or other interpretations thereof by the IRS or the Courts; and

WHEREAS, on September 2, 1992, the Internal Revenue Service (the "Service") released final regulations for monitoring low-income housing tax credit projects;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in the Agreement and in this Addendum, and of other valuable consideration, the Owner and the Authority agree as follows:

Section 1. *Definitions.* Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms used herein shall have the respective meanings set forth in the Agreement, the Code and the Regulations.

Section 2. *Amendment to Section 3 of the Agreement.* Subsection (f) of Section 3 of the Agreement shall be replaced with the following:

"(f) that each building in the project will remain suitable for occupancy, taking into account local health, safety and building codes and that, once available for occupancy, each Dwelling Unit in the Project must be rented or available for rental on a continuous basis to members of the general public on a non-transient basis (except for transitional housing for the homeless provided under Section (42)(1)(3)(8)(iii)) for the Qualified Project Period;"

Section 3. *Amendments to Section 4 of the Agreement.* A new subsection (g) shall be added to Section 4 as follows:

"(g) the Owner shall collect and keep records for each qualified low-income building in the Project that show for each year during the Qualified Project Period the following information for each building in the project and retain such records for at least six years after the due date (with extensions) for filing the federal tax return for that year (provided, however, that the records for the first year of the Qualified Project Period must be retained for at least six years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period for the building):

(i) the total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);

(ii) the percentage of residential rental units in a building that are Qualified Units;

(iii) the rent charged on each residential rental unit in the building, including any utility allowance;

(iv) the number of occupants in each Qualified Unit and changes in the number of occupants in each Qualified Unit;

(v) the Qualified Unit vacancies in the building and information that indicates when and to whom the next available units were rented;

(vi) the annual income certification of each Qualified Tenant per Qualified Unit;

(vii) documentation to support each Qualified Tenant's annual income certification (for example, a copy of the Qualified Tenant's federal income tax return, Forms W-2, or verifications of income from third parties such as employers or state agencies paying unemployment compensation). Tenant income is to be calculated in a manner consistent with the determination of annual income under Section 8 of the United State Housing Act of 1937 ("Section 8"), and not in accordance with the determination of gross income for federal income tax liability. In the case of a tenant receiving housing assistance payments under Section 8, the documentation requirement of this subsection 4(e)(vii) is satisfied if the public housing authority provides a statement declaring that the tenant's income does not exceed the applicable income limit under Section 42(g);

(viii) the eligible basis and the Qualified Basis of the building at the end of the first year of the Qualified Project Period; and

(ix) the character and use of the nonresidential portion of the building included in the eligible basis of the building under Section 42(d) of the Code (e.g., tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or facilities reasonably required by the project);".

A new subsection (h) shall be added to Section 4 of the Agreement as follows:

"(h) that the Authority shall have the right to perform an on-site inspection of the Project throughout the Qualified Project Period, in addition to the requirement that the Owner submit to the Authority each year information on tenant income, supporting documentation and rent for each low-income unit as designated above; and "

A new subsection (i) shall be added to Section 4 of the Agreement as follows:

"(i) All references in this Section 4 to Income Verifications shall mean to include and require written supporting documentation to such Income Verifications."

Section 4. *Amendment to Section 6 of the Agreement.* Section 6 of the Agreement shall be amended to read as follows:

"Section 6. *Internal Revenue Service Notification.* In the event the Authority discovers any noncompliance of any provisions hereof, the Authority will immediately give written notice to the Owner. The Owner shall have 60 days from the receipt of such notice (the "Correction Period") to correct such noncompliance. Following the Correction Period, the Authority will file with the IRS a copy of IRS Form 8823 explaining the nature of the noncompliance and whether or not such noncompliance has been corrected. Noncompliance includes, but is not limited to:

(1) failure to receive or non-allowance to inspect tenant income certifications, supporting documentation and rent records;

- (2) upon inspection, noncompliance with provisions of Section 42; and
- (3) any change in the Applicable Fraction or Eligible Basis that would result in a decrease in the Qualified Basis.

The Authority is authorized and entitled to do all acts necessary to comply with the monitoring and notification responsibilities set forth in Section 42(m)(i)(B)(iii) of the Code and any regulations or other interpretations thereof by the IRS or the Courts."

Section 5. Amendment to Exhibit B. Page B-1 of Exhibit B of the Agreement shall be replaced with the Page B-1 attached hereto as Exhibit B.

Section 6. Amendment to Exhibit C. Page C-1 of Exhibit C of the Agreement shall be replaced with the Pages C-1 and C-2 attached hereto as Exhibit C.

Section 7. Miscellaneous. As amended by this Addendum, the Agreement is in all respects ratified and confirmed, and the Agreement and this Addendum shall be read, taken and construed as one and the same instrument, and the terms of this Addendum shall be deemed covenants running with the land in the same manner and with the same effect as set forth in Section 7 of the Agreement. This Addendum may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The effect and meaning of this Addendum and the rights of the parties hereunder shall be governed by and construed according to the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties have caused this Addendum to be signed and sealed by their respective duly authorized representatives as of the day and year first written above.

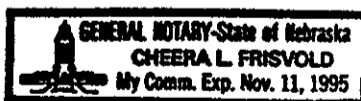
Attest:

By \_\_\_\_\_  
Secretary

By Thomas J. Tokheim  
Title Partner

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

The foregoing instrument was acknowledged before me this 14th day of December, 1992 by Thomas J. Tokheim and J Street Limited Partnership of J Street Limited Partnership for and on behalf of J Street Limited Partnership



Cheera L. Frisvold  
Notary Public

My Commission expires: \_\_\_\_\_

NEBRASKA INVESTMENT FINANCE AUTHORITY

By Steven J. Clements  
Authorized Officer

STATE OF NEBRASKA )  
COUNTY OF LANCASTER ) ss.

The foregoing instrument was acknowledged before me this 25th day of November, 1992 by Steven J. Clements, an Authorized Officer of the Nebraska Investment Finance Authority.

Karon F. Andretti  
Notary Public

My Commission expires: Sept 7, 1996



EXHIBIT A  
LEGAL DESCRIPTION

The West 50 feet of Lots 9 and 10 and all of Lot 11, Block 133, South Omaha City Lots, now a part of the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska (commonly known as 4319-27 South 22nd Street).

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REGISTERED DEEDS  
DOUGLAS COUNTY, NE