

INSTRUMENT NO. 09041<sup>ET</sup>7  
LINDA FORT  
HUMBOLDT CO. RECORDER

FEB 27 2009

AT 9:52 ~~AM~~ PM  
RECORDING FEE \$ 17.00 pd  
AUDITORS TRANSFER FEE \$ —

**Preparer Information: Doug LaBounty, PO Box 473, Spencer, IA 51301; (712) 262.5640**

**Attention: County Recorder - After recording, return original recorded document to: Tax Credit Compliance Division, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, IA 50312 (515) 242-4990**

### ACKNOWLEDGMENT OF COVENANTS

Project #07-30

RE: A parcel of land in the Southwest quarter of Section 36, Township 92 North, Range 29 West of the 5<sup>th</sup> PM, City of Humboldt, Humboldt County, Iowa, more particularly described as follows: commencing at the Northwest corner of said Southwest quarter; thence North 90°00'00" East 1313.26 feet along the North line of the said Southwest quarter; thence South 00°19'25" East 1570.82 feet; thence North 89°01'00" East 198.90 feet; thence South 01°12'50" East 113.28 feet; thence North 87°39'00" East 349.95 feet to the Point of Beginning; thence continuing North 87°39'00" East 216.20 feet; thence South 00°36'00" East 250.14 feet to a point on the North right of way line of 11<sup>th</sup> Avenue North in the City of Humboldt; thence South 87°39'00" West 213.52 feet along said North line; thence North 01°12'50" West 250.07 feet to the point of beginning containing 1.23 acres. For the purpose of this survey the North line of the said Southwest Quarter was assumed to bear North 90°00'00" East. Subject to easements of record.

Lot 2, Block 5 in the Original Town (now City) of Humboldt, Humboldt County, Iowa.

Lots 1 and 2 of Block 33, in the City of Dakota City, Humboldt County, Iowa

WHEREAS, Humboldt Workshop Service Enriched Housing I, LLLP (the "Owner") is the owner of a 19 unit rental housing development located in the Cities of Humboldt and Dakota City, County of Humboldt, State of Iowa, on the real property described above, known as Humboldt Workshop Service Enriched Housing (the "Project"); and

WHEREAS, the Iowa Finance Authority (the "Authority") has been designated by Iowa Code Section 16.52 as the housing credit agency for the State of Iowa for the allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

WHEREAS, in connection with an allocation of tax credits for the Project, the Owner has executed a Land Use Restrictive Covenants Agreement for Low-Income Housing Tax Credit Program, dated December 16, 2008 (the "LURA"), and recorded in the Humboldt County Recorder's Office on December 29, 2008 as Instrument No. 08E0032; and

WHEREAS, the LURA creates covenants running with the land for the purpose of enforcing certain requirements of Section 42 of the Code and certain additional undertakings of the Owner in connection with its Application (as defined in the LURA) by regulating and restricting the use and occupancy of the Project as set forth therein; and to satisfy section 2(j) of the LURA the Owner has requested that Northwest Federal Savings Bank (the "Mortgage Holder"), now known as Northwest Bank, as the holder of a mortgage from the Owner dated as of August 21, 2007 (the "Mortgage"), and recorded in the Humboldt County Recorder's Office on September 12, 2007 as Instrument No 071766, execute this Acknowledgment of Covenants to (1) acknowledge the Mortgage Holder's consent to the LURA and (2) agree that the Mortgage Holder's interests in the Mortgage are subject to the interests of the Authority under the LURA;

NOW THEREFORE, in consideration of and to induce the Authority to allocate tax credits to the Project, Mortgage Holder hereby agrees as follows:

1. Mortgage Holder, which is the holder of the above-described Mortgage, for itself and its successors and assigns, does hereby agree (a) that its interests under the Mortgage are subject to the restrictive covenants described in the LURA, (b) that such restrictive covenants run with the land as provided in the LURA and (c) that certain restrictive covenants, as set forth in Section 3 of the LURA, will remain in place for a period of three years after any foreclosure or deed in lieu of foreclosure.
2. Mortgage Holder acknowledges (a) that, before its execution of this Agreement, it has reviewed or had the opportunity to review the LURA, (b) that it consents to the Owner's execution of the LURA, and (c) that the LURA imposes substantial restrictions on the use of the property comprising the Project.

DATED this 27<sup>th</sup> day of February, 2009.

Northwest Bank, as Mortgage Holder

By: Douglas D. Burt  
Its: Community Bank President

STATE OF Iowa

:

:SS.

COUNTY OF Humboldt :

On this 27<sup>th</sup> day of February, 2009, before me, a Notary Public in and for said State, personally appeared Douglas D. Berte, to me personally known, who being by me duly sworn did say that the person is President of Northwest Bank and that said instrument was signed on behalf of Northwest Bank by authority of its board and the said President acknowledged the execution of said instrument to be the voluntary act and deed of Northwest Bank by it voluntarily executed.

Cindy Angstrom  
Notary Public in and for said State

