AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Gunnison County Master Deed Restriction

Action Requested: Motion

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Please see the attached template.

Fiscal Impact: N/A

Submitted by: Katherine Haase **Submitter's Email Address:** khaase@gunnisoncounty.org

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ◉ Required ○ Not Required

Comments:
ok db 9/11/19

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 9/12/2019 Certificate of Insurance Required

Yes ○ No ◉

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 9/12/2019

○ Consent Agenda ◉ Regular Agenda ○ Worksession Time Allotted: 5

Agenda Date: 9/17/2019

Revised April 2015

GUNNISON COUNTY MASTER DEED RESTRICTION

THIS GUNNISON COUNTY MASTER DEED RESTRICTION ("Restriction" or "Restrictions") is entered into this _____ day of _____, 2019, by _____ (the Grantor), and each the Gunnison Valley Regional Housing Authority of Gunnison, Colorado, and Gunnison County (the "Beneficiaries") which are duly organized under and by virtue of the laws of the State of Colorado. The Owner and Beneficiaries are sometimes referred to herein collectively as the "Parties." This Restriction replaces and supersedes in its entirety that certain Gunnison County Housing Authority Occupancy and Resale Deed Restriction and Essential Housing covenant recorded on _____, at reception number _____in the Office of the Gunnison County Clerk and Recorder.

1. Property Subject to Deed Restriction. The following real property (the "Property") is hereby made subject to these Affordable Housing Restrictions ("Restrictions"):

(insert lot legal here)
County of Gunnison,
State of Colorado.

Commonly known as **(insert street address here)**

WHEREAS, the Beneficiaries, acting as the declarant, intend to create a valid and enforceable covenant running with the land that assures that all of the Property hereby existing or to be developed on the Property will be used solely by individuals who are either Qualified Owners or Qualified Occupants (as such terms are hereinafter defined), subject to limited exceptions provided for herein; and

WHEREAS, both the Grantor and the Beneficiaries recognize the public need for attainable and affordable housing for the workforce and working families of Gunnison County, particularly within the Gunnison Valley; and

WHEREAS, under this Restriction the Grantor and Beneficiaries intend, declare, and covenant that the regulatory and restrictive covenants set forth herein governing the use of the Property described and provided for herein shall be and are hereby made covenants running with the land and are intended to be and shall be binding upon the Beneficiaries and Grantor, and all subsequent owners of such Property for the stated term of this Restriction, unless and until this Restriction is released and terminated in the manner hereafter described.

2. Definitions

i. AREA MEDIAN INCOME (AMI) means the median income for Gunnison County adjusted for household size. as established and defined in the most recent annual schedule published by the U.S. Department of Housing and Urban Development (HUD).

ii. CAPITAL IMPROVEMENT means any fixture erected as a permanent improvement to

the Property excluding repair, replacement, maintenance costs, and sweat equity.

iii. DEPENDENT means a person, including a spouse of a child of, a step-child of, a child in the permanent legal custody of or a parent of, a Qualified Owner or Qualified Occupant, in each case whose sole pace of residence is in the same household as such Qualified Owner or Qualified Occupant, and who is financially dependent upon the support of the Qualified Owner or Qualified Occupant. Dependent shall also include any person included within the definition of "Familial Status" as defined in 42 U.S.C. § 3602(k), as that act shall from time to time be amended.

iv. COUNTY shall mean the Board of County Commissioners of Gunnison County, Colorado.

v. GUIDELINES mean the most current Gunnison Valley Regional Housing Authority Housing Guidelines in effect at the time of closing on a sale or transfer of the Property or at the commencement date of a lease or other occupation agreement, or its successor document, as amended from time to time.

vi. FIRST MORTGAGE means a deed of trust or mortgage that is recorded senior to any other deeds of trust or liens against the Property to secure a loan used to purchase the Property by a Mortgagee.

vii. HOUSEHOLD means one or more persons who intend to live together on the Property as a single housekeeping Property.

viii. HOUSING AUTHORITY means the Gunnison Valley Regional Housing Authority and/or the Gunnison County Housing Authority. Unless expressly stated otherwise in this Deed Restriction, "Housing Authority" shall refer to the Gunnison Valley Regional Housing Authority, except that if the Gunnison Valley Regional Housing Authority ceases to exist or is replaced by some other entity, "Housing Authority" shall refer to the Gunnison County Housing Authority.

ix. MAXIMUM RESALE PRICE means the maximum Purchase Price that shall be paid by any purchaser of the Property, other than the initial purchaser who acquires the Property from the Beneficiaries that is determined in accordance with the provisions of Section 6.iii of this Restriction. The Maximum Resale Price is not a guaranteed price, but merely the highest price an Owner may obtain for the sale of the Property.

x. MORTGAGEE means any bank, savings and loan association, or any other institutional lender that is licensed to engage in the business of provided purchase money mortgage financing for residential real property and that is the beneficiary of a deed of trust or mortgage encumbering the Property.

xi. NON-QUALIFIED OWNER or NON-QUALIFIED TRANSFEREE means an Owner that is not a Qualified Owner.

xii. NET WORTH means the estimated sum of the assets of the Qualified Owner or Qualified Occupant. The term *Asset* refers to liquid assets such as cash in savings, checking or other forms of bank accounts and stocks, bonds or other instruments that can readily be converted to cash. The most recent Assessed Value as provided by the applicable Assessor's Office will be used to determine the value of real estate holdings, regardless of set-offs by encumbrances, costs of sale or holding, or percent of ownership interest. Assets in a qualified retirement plan and other non-liquid assets such as personal belongings or intangible assets will not be included in the asset limitations for each income category.

xiii. OWNER means the Grantor and any subsequent buyer, heir, devisee, transferee, grantee, owner or holder of title to the Property, or any portion of the Property.

xiv. PURCHASE PRICE means all consideration paid by the purchaser to the seller for the Property.

xv. QUALIFIED OWNER means a natural person who meets the following requirements at the time that he/she takes initial ownership interest or transfer of interest in the Property as qualified by the Housing Authority:

a. Has maintained his/her primary and sole residence in Gunnison County, Colorado for six (6) consecutive months immediately preceding taking initial ownership or transfer of interest in the Property or has a qualified employment contract with an employer in Gunnison County that has been accepted by the Housing Authority; and

b. Has earned his/her primary (80% or more) source of income working a minimum of 30 hours per week on an annual basis, as documented with the United States Internal Revenue Service, within Gunnison County, and has demonstrated to the Housing Authority, or has a qualified employment contract with an employer in Gunnison County that has been accepted by the Housing Authority; and

c. Except as provided for in Section 4.i.a., does not own any interest in other improved residential property(s). A purchaser who owns residential real estate must convey all interest in said residential property(s) prior to taking initial ownership or transfer of interest of the Property; and

d. A qualified household shall not have a net worth that exceeds four (4) times the income based on the AMI applicable to actual household size of a prospective purchaser, such AMI set by HUD annually and adjusted for household size.

e. Income restrictions are applicable at the time of qualification and shall be verified by the Housing Authority. Income guidelines are based on the Area Median Income (AMI) set by HUD annually and adjusted for household size. At the time of initial ownership or transfer of interest the combined household income shall not be less than 70% of AMI and shall not exceed 160% of AMI; and

f. Shall occupy the Property as his/her sole and exclusive primary residence at all times during the ownership of the Property.

xvi. QUALIFIED OCCUPANT means a person who meets the following requirements at the time he or she takes initial occupancy of the Property as qualified by the Housing Authority:

a. Has maintained primary and sole residence in Gunnison County, Colorado for three consecutive months immediately preceding taking initial occupancy of the Parcel or has a qualified employment contract with an employer in Gunnison County that has been accepted by the Housing Authority; and

b. Has earned his/her primary (80% or more) source of income working a minimum of 30 hours per week on an annual basis, as documented with the United States Internal Revenue Service, within Gunnison County, and has demonstrated to the Housing Authority, or has a qualified employment contract with an employer in Gunnison County that has been accepted by the Housing Authority; and

c. Except as provided for in Section 4.i.a., does not own any interest in other improved residential property(s). An occupant who owns residential real estate must convey all interest in said residential property(s) prior to taking initial occupancy of the Property; and

d. A qualified household shall not have a net worth that exceeds two (2) times the income based on the AMI applicable to actual household size of a prospective purchaser, such AMI set by HUD annually and adjusted for household size; and

e. Income restrictions are only applicable at the time of purchase and shall be verified by the Housing Authority. Income guidelines are based on the Area Median Income (AMI) set by HUD annually and adjusted for household size. At the time of initial occupancy, the combined household income shall not exceed 160% of AMI; and

f. Shall occupy the Property as his/her sole and exclusive primary residence.

xvii. TRANSFER means an act of a party, or of the law, by which the title to a Property is wholly or partially transferred to another; including but not limited to the sale, assignment voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, bequest, trustee's sale, deed in lieu of foreclosure, or otherwise) of any interest in the Parcel, including but not limited to a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, a leasehold interest or any interest evidenced by a land contract by which possession of the Property is transferred and Owner retains title, except that, this definition does not include any transfer of an interest by the Housing Authority.

If reviewed and approved in writing by the Housing Authority prior to occurrence the

following transfer(s) are exceptions to the definition, provided that the new Owner, other than an estate, shall use the Property as his/her principal residence:

a. A transfer resulting from the death of an Owner where the transfer is to the spouse or domestic partner who is also a Qualified Owner.

b. A transfer resulting from a decree of dissolution of marriage or legal separation of from a settlement incidental to such a decree by which a transfer is made to a spouse who is also a Qualified Owner.

3. Restriction Runs with the Land. This Restriction shall constitute covenants running with title to the Property as a burden thereon, for benefit of, and enforceable by, each of the Beneficiaries, and their successors and assigns, and this Restriction shall bind the Beneficiaries and all subsequent Owners and occupants of the Property. Each Owner and Qualified Occupant, upon acceptance of a deed or lease to the Property, shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions, and restrictions contained herein during the Owner's period of ownership or Qualified Occupant's tenancy, as may be appropriate. Each and every Transfer or lease of the Property, for all purposes, shall be deemed to include and incorporate by this reference, the covenants contained in this Restriction, even without reference to this Restriction in any document of conveyance. The Beneficiaries shall hold their interest as tenants in common, except that neither Beneficiary may sell, transfer or assign their interest in the Restriction without the express written permission of the other, and neither beneficiary shall agree to relieve any Owner or Qualified Occupant of their obligations under the Restriction without the express written consent of the other. If one of the Beneficiaries ceases to exist, that Beneficiary's interest in the Restriction shall be deemed to be assigned to the remaining Beneficiary.

4. Ownership, Use, Occupancy and Rentals.

i. Ownership. The ownership of the Parcel is hereby, and shall henceforth be, limited exclusively to Qualified Owner(s) which shall include the parties described and approved as set forth in Section 4.ii. In the event that the Property is occupied without compliance with this Restriction, the Housing authority shall have the remedies set forth herein, including but not limited to the rights under Section 8 herein.

a. Upon the written consent of the Housing Authority, which consent may be recorded, a non-qualifying natural person or entity that owns or operates a business located in and serving the County may purchase the Property, provided, however, that by taking title to the Property, such Owner shall be deemed to agree to the rental restrictions set forth herein, and further that any Owner who does not meet the definitions of both a Qualified Owner and Qualified Occupant shall rent the Property to a natural person(s) that does meet the definitions of a Qualified Occupant, and shall not occupy or use the Property for such Owner's own use or leave the Property vacant except as otherwise provided herein. Any occupancy of the Property pursuant to this Section 4.i.a. shall not exceed two persons per bedroom, unless the Housing Authority

approves otherwise.

ii. Use and Occupancy. The use and occupancy of the Property is hereby, and shall henceforth be, limited exclusively to Qualified Owners or Qualified Occupant(s), his or her spouse and child(ren) and other immediate family members.

iii. Rental of Property. Owner may not, except with prior written approval of the Housing Authority, and subject to the Housing Authority's conditions of approval, rent the Property for any period of time. All renters must be Qualified Occupants. Except as provided for in Section 4.i.a. herein, a rental shall be for no less than six (6) months and no more than one year and shall occur not more than once every five (5) years. All rentals must comply with the then current Housing Authority's Guidelines.

iv. Roommates. The requirements of this Restriction shall not preclude the Owner from sharing occupancy of the Property with non-owners on a rental basis provided Owner continues to occupy the Property as his/her sole and primary residence and meets the obligations contained in this Restriction, including the definition of Qualified Owner or Qualified Occupant. Short-term rentals/roommates are strictly prohibited.

v. No Indemnification or Waiver of Immunity. Nothing herein shall be construed to require either of the Beneficiaries to protect or indemnify the Owner against any losses attributable to a rental including, but not limited to, non-payment of rent or damages to the Property; nor to require either of the Beneficiaries to obtain a Qualified Occupant for the Owner in the event that none is found by the Owner. In addition, nothing herein shall be construed as a waiver by either of the Beneficiaries governmental immunity provided by the Colorado Governmental Immunity Act or other applicable law.

vi. Initial Finance and Refinance Restriction.

a. At the time of the purchase of the Property the original principal amount of any indebtedness secured by a First Mortgage shall not exceed an amount equal to one hundred percent (100%) of the Purchase Price paid for the Property by that Owner, subject to the Housing Authority's Guidelines.

b. An Owner may refinance a First Mortgage that encumbers the Property with the consent of the Housing Authority; provided, however, that the original principal amount of any refinanced indebtedness secured by a First Mortgage shall not exceed an amount equal to ninety-seven percent (97%) of the then current Maximum Resale Price limit.

vii. Ownership Interest in Other Residential Property. Except with respect to a Non-Qualified Owner permitted to purchase a Property as set forth in Section 4, if at any time the Owner also owns any interest alone or in conjunction with others in any other developed residential property in or out of the County, the Owner shall immediately list such other property interest for sale and sell his or her interest in such property. In the

event said other property has not been sold by the Owner with.in one hundred twenty (120) days of its listing required hereunder, then the Owner shall immediately list his or her Property for sale pursuant to Section 8.v. of this Restriction. In the case of an Owner whose business is the construction and sale of residential properties or the purchase and resale of such properties, the properties that constitute inventory in such Owner's business shall not constitute "other developed residential property" as that term is used in this Section 4.vii.

viii. Compliance. Any Owner of the Property is required to comply with annual certifications to the Housing Authority that they are in compliance with the requirements of this Restriction. The Housing Authority acknowledges and recognizes that the income and net worth of a Qualified Owner or Qualified Occupant may increase over time, however, such increases over the maximum income and net worth requirements at initial purchase or occupancy shall not constitute a default of this Restriction.

ix. Any owner or prospective buyer must agree to and execute the Notice of Lien form attached hereto as Exhibit A.

5. Initial Purchase Price. Upon completion of construction of the Property, the Property shall be sold to a Qualified Owner, except as provided for in Section 4.i. of this Restriction, at an affordable Purchase Price as determined by the Housing Authority Guidelines.

6. Transfer of Property.

i. Resale. No Transfer of the Property shall occur subsequent to the original purchase from the County or the Housing Authority, except upon full compliance with the procedures set forth in this Section 6. In the event the Parcel is sold and/or conveyed without compliance with this Restriction, such sale and/or transfer shall be wholly null and void and shall confer no title whatsoever upon the purported buyer.

ii. Notice of Intent. The Parcel shall not be sold or transferred without prior submission by the Qualified Owner to the Housing Authority of a written Notice of Intent to Sell as set forth in Exhibit B attached hereto.

iii. Maximum Resale Price.

a. The initial purchase price of the Property shall be the basis for calculating the Maximum Resale Price in accordance with this Restriction and the Housing Authority guidelines in effect at the time of listing the Property for sale.

b. The Maximum Resale Price of the Property shall be limited to be no more than the following calculation:

The Maximum Resale Price may not exceed the sum of: (i) the Purchase Price paid by the Owner for the Property, plus: (ii) an increase of two percent (2%) of such Purchase Price per year (prorated at the rate of 1/12 for each whole month, but not compounded annually) from the date of the Owner's purchase of the Property to the date of the Owner's Notice of Intent to sell the Property; plus (iii) an amount equal to any special improvement district assessments, if applicable and not transferable, paid by the seller during the seller's ownership of the Parcel; (iv) the cost of Permitted Capital Improvements made to the Property by the Owner as set forth in Exhibit C attached hereto.

c. Permitted Capital Improvements. The amount for Permitted Capital Improvements shall not exceed ten per cent (10%) of the original purchase price for an initial ten (10) year period. For every ten (10) year period from the date of the original purchase and Covenant, another ten (10) per cent of the purchase price may be added to the value of the Property for Capital Improvements. In calculating such amount, only those Permitted Capital Improvements identified in Exhibit C hereto shall qualify for inclusion. Seller's contributed labor or "sweat equity" shall not be part of the cost of an eligible improvement.

d. Pursuant to the Housing Authority Guidelines, each Owner shall be responsible for ensuring that at the Transfer of his or her Property, the same is clean, the appliances are in working order, and that there are no health or safety violations regarding the Property. Prior to the sale of the Property the Housing Authority is authorized to take necessary actions and incur necessary expenses for bringing the Property into saleable condition. Such actions and expenses include, but are not limited to, cleaning the Property and making necessary repairs to or replacements of appliances and/or Property fixtures, such as windows, doors, cabinets, countertops, carpets, flooring and lighting fixtures, and/or correcting any health or safety violations on the Property. Expenses incurred by the Housing Authority to bring the Property into a saleable condition shall be itemized and documented by the Housing Authority and deducted from the Owner's proceeds at closing of the Transfer of the Property.

e. No Owner shall permit any prospective purchaser to assume any or all of the Owner’s closing costs. No Owner shall accept anything of value from a prospective purchaser except for the Maximum Resale Price before, during or after closing of the Transfer of the Property.

f. Nothing in this Restriction represents or guarantees that the Property will be re-sold at an amount equal to the Maximum Resale Price. Depending upon conditions affecting the real estate market, the Property may be re-sold for less than the Maximum Resale Price.

iv. Beneficiaries Right to Acquire Ownership - Right of First Refusal. The initial Owner and each subsequent Owner shall not transfer the Property, or any part thereof, without first offering same to each of the Beneficiaries for purchase. Each of the Beneficiaries shall have a right of first refusal to purchase the Property as follows:

a. If an Owner receives any offer to purchase or tenders any offer of sale for the Property each of the Beneficiaries shall have the absolute right of first refusal to purchase the Property at the offered sales price.

b. Each of the Beneficiaries shall exercise its right of first refusal by executing a written and binding commitment to purchase the Property within twenty-one (21) days after each of the Beneficiaries receives written Notice of Intent to Sell by Owner. The commitment to buy shall set a closing date within a reasonable period of time.

c. Each of the Beneficiaries shall have the right to inspect the Property prior to exercising its right of first refusal. If the Property is damaged there shall be a decrease in the sales price of the Property equal to the amounts necessary to bring the Property into saleable condition as reasonably determined by the Housing Authority, including but without limitation cleaning, painting, replacing worn carpeting and draperies; making necessary structural, mechanical, electrical and plumbing repairs; and repairing or replacing built-in appliances and fixtures.

d. In the event both of the Beneficiaries does not execute a written and binding commitment to purchase the Property within said twenty-one (21) day period, this right of first refusal shall expire.

e. If the Owner does not sell or otherwise transfer the Property, the terms and conditions of this right of first refusal shall again apply to any subsequent sale or transfer of the Property.

f. The right of first refusal shall be in full force and effect from the date of initial sale in perpetuity. Any sale or attempted transfer of the Property effected without first giving both of the Beneficiaries the right of first refusal described above shall be wholly null and void and shall confer no title whatsoever upon the purported buyer.

v. Housing Authority Made Whole. No transfer of the Property shall occur unless and until each and every encumbrance, debt or liability owed by the Owner to the Housing Authority each and both of the Beneficiaries is fully satisfied.

7. <u>Foreclosure</u>

i. It shall be a breach of these Restrictions for an Owner to default in the payments or other obligations due or to be performed under a promissory note secured by deed of trust encumbering the Property. The Owner hereby agrees to notify the Beneficiaries, in writing, of any notification Owner receives from a lender, or its assigns, of past due payments or default in payment or other obligations due or to be performed under a promissory note secured by a deed of trust, as described herein, within five (5) calendar days of Owner's notification from lender, or its assigns, of said default or past due payments

ii. Upon receipt of notice as provided herein, the Beneficiaries shall have the right, in its sole discretion, to cure the default or any portion thereof. ("Curing Party"). In such event, the Owner shall be personally liable to the Curing Party for past due payments made by the Curing Party, together with interest thereon at the rate specified in the promissory note secured by the deed of trust, plus one (1) per cent, and all actual expenses of the Curing Party incurred in curing the default. In the event the Owner does not repay the Curing Party within sixty (60) days of notice that the Curing Party has cured the Owner's default, the Owner agrees that the Curing Party shall be entitled to a lien against the Property to secure payment of such amounts. Such a lien may be evidenced by a notice of lien setting the amounts due and rate of interest accruing thereon, and such notice of lien may be recorded in the real property records of Gunnison County, Colorado, until such lien is paid and discharged. The Curing Party shall have the additional right to bring an action to foreclose on the Property for the payment of the lien set forth in this section 7.ii.

iii. In the event of a foreclosure on a promissory note secured by a first deed of trust on the Property, or any Property, and the issuance of a public trustee's deed by the holder of such note and deed of trust ('Holder"), or the acceptance by Holder of such note and deed of trust of a deed in lieu of foreclosure of the Property, and Holder's subsequent recordation of the same in the Office of the Gunnison County Clerk and Recorder, the Beneficiaries may acquire the Property by exercising that certain "Option to Purchase," a copy of which is attached hereto as Exhibit D. In the event that the Option is not exercised by the Beneficiaries, this Deed Restriction shall be released and shall be of no further force or effect.

8. <u>Default/Breach</u>

i. In the event either of the Beneficiaries has reasonable cause to believe an Owner is violating the provisions of these Restrictions, that entity, through its authorized representatives, may inspect the Property between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, after providing the Owner with no less than 24 hours written notice.

ii. The respective Beneficiary shall send a notice of violation to the Owner detailing the nature of the violation and allowing the Owner fifteen (15) days to determine the merits of the allegations, or to correct the violation. In the event the Owner disagrees with the allegation of violation of these Restrictions, the Owner may request, in writing, a hearing before the Housing Authority Grievance and Appeals Committee. If the Owner does not request a hearing and the violation is not cured within the fifteen-day period, the Owner shall be considered in violation of these Restrictions.

iii. Whenever these Restrictions provide for a hearing before the Housing Authority, such hearing shall be scheduled by the Housing Authority within twenty-one (21) days of the date of receipt of a written request for a hearing. At any such hearing, the Owner or other aggrieved party may be represented by counsel and may present evidence on the issues to be determined at the hearing. An electronic record of the hearing shall be made, and the decision of the Housing Authority shall be a final decision, subject to judicial review.

iv. There is hereby reserved to the parties hereto any and all remedies provided by law for breach of these Restrictions or any of its terms. In the event the parties resort to litigation with respect to any or all provisions of these Restrictions, the prevailing party shall be awarded its damages, expenses and costs, including reasonable attorney's fees.

v. In the event the Property is sold and/or conveyed without compliance with the terms of these Restrictions, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each and every conveyance of the Property, for all purposes, shall be deemed to include and incorporate by this reference the covenants herein contained, even without reference therein to these Restrictions.

vi. In the event an owner fails to cure any breach of these Restrictions, each of the Beneficiaries may resort to any and all available legal or equitable actions, including but not limited to specific performance of these Restrictions, an injunction against future sale(s) in violation of these Restrictions, or eviction of noncomplying owners and/or occupants.

vii. Eliminating Resale Gain. In the event of a breach of any of the terms or conditions contained herein by an Owner, his or her heirs, successors or assigns, the Owner’s initial purchase price of the Property shall, upon the date of such breach as determined by either of the Beneficiaries, automatically cease to increase as set out in Section 6.iii. of this Restriction, and shall remain fixed until the date of cure of said breach.

9. In the event of a dispute between the Beneficiaries regarding interpretation, enforcement or otherwise of this Restriction or any portion of it, the position of Gunnison County shall prevail.

10. <u>General Provisions</u>

i. These Restrictions shall constitute covenants running with the Real Property as a burden thereon, for the benefit of, and shall be specifically enforceable by each of the Beneficiaries and/or its respective successors and assigns, as applicable. Enforcement by any appropriate legal action may include, but is not limited to specific performance injunction, reversion, or eviction of noncomplying owners and/or occupants.

ii. Equal Housing Opportunity. Pursuant to the Fair Housing Act and each of the public policy, the Housing Authority shall not discriminate on the basis of race, creed, color, sex, national origin, familial status, disability or sexual orientation in the lease, sale, use or occupancy of the Property.

iii. Waiver of Exemptions. Every Owner, by taking title to the Property, shall be deemed to have subordinated to this Restriction any and all right of homestead and any other exemption in, or with respect to, such Property under state or federal law presently existing or hereafter enacted.

iv. Any notice, consent, approval, or request which is required to be given by any party hereunder shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to the address provided herein or to the address of the owner. The owner shall advise the Housing Agency of any change in address, in writing said notices, consents, and approvals, shall be sent to the parties hereto at the following addresses, unless otherwise notified in writing:

To Beneficiaries: Gunnison Valley Regional Housing Authority
Executive Director
202 E. Georgia Avenue
Gunnison, Colorado 81230
Telephone: 970-641-7900
Fax: 888-406-1360

OR

Gunnison County Housing Authority Chair
200 E. Virginia Avenue
Gunnison, Colorado 81230
Telephone: 970-641-0248

To Owner:

To Subsequent Owners: At the address maintained in the records of the Gunnison County Assessor's office

v. Whenever possible, each provision of these Restrictions and any other related document shall be interpreted in such manner as to be valid under applicable law; but if any provision of these Restrictions shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition, without invalidating the remaining provisions of such document.

vi. These Restrictions and each and every related document is to be governed and construed in accordance with the laws of the State of Colorado.

vii. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors, and assigns of the parties.

viii. Owners and subsequent owners agree that he or she shall be personally liable for their participation in any of the transactions contemplated herein and that he or she will execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of these Restrictions or any agreement or document relating hereto or entered into in connection herewith.

ix. Any modifications of these Restrictions shall be effective only when made by a duly executed instrument by the Housing Agency and an owner, with the written consent of both of the Beneficiaries, and recorded with the Clerk and Recorder of Gunnison County, Colorado. Notwithstanding the foregoing, the Parties agree that the Beneficiaries may unilaterally amend these Restrictions where deemed necessary to effectuate the purpose and intent of these Restrictions, so long as both Beneficiaries agree to such amendments.

EXECUTED, this _____ day of _____, 2019.

GUNNISON VALLEY REGIONAL HOUSING AUTHORITY

By:_____
Jennifer Kermode, Executive Director

State of Colorado)
) ss.
County of Gunnison)

The foregoing Gunnison Valley Regional Housing Authority Affordable Housing Deed Restriction for been acknowledged before me this _____ day of _____, 2019, by

Jennifer Kermode, Executive Director of the Gunnison Valley Regional Housing Authority

Witness my hand and official seal.
My commission expires:

_____
Notary Public

GUNNISON COUNTY HOUSING AUTHORITY, also known as
THE GUNNISON COUNTY HOUSING AUTHORITY:

By: _____
Jonathan Houck, Chairperson

By: _____
John Messner, Vice Chairperson

By: _____
Roland Mason, Commissioner

ATTEST:

_____
Deputy County Clerk

TOWN OF MT. CRESTED BUTTE, COLORADO,
A Colorado home rule municipality

By:_____
Todd Barnes, Mayor

ATTEST
:

_____
Tiffany O'Connell
Town Clerk