

MAINE STATE HOUSING AUTHORITY
1996 SUPERNOFA SUPPORTIVE HOUSING PROGRAM

005799

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Declaration of Covenants, Conditions, and Restrictions, dated as of February __, 1999 by and between the Maine State Housing Authority, a public body corporate and politic, and an instrumentality of the State of Maine with its principal place of business at 353 Water Street, Augusta, Maine, 04330-4633 ("MSHA") and Creative Housing Alternatives for Maine People, a Maine nonprofit corporation with a mailing address of P.O. Box 1008, Sanford, Maine, 04073, including its successors and assigns (the "Developer").

WHEREAS, MSHA has made grant funds available to the Developer to finance the acquisition, construction or rehabilitation of transitional housing for homeless youth to be located at 17 June Street, Sanford, Maine (the "Development") in accordance with the 1996 Supportive Housing Sub-Grant Agreement between MSHA and Developer of even date herewith (the "Sub-Grant Agreement").

WHEREAS, under the Sub-Grant Agreement, the Developer agreed to operate the housing as transitional housing for homeless youth for twenty (20) years after initial occupancy of the Development and to comply with affordability restrictions set forth below.

NOW, THEREFORE, MSHA and the Developer agree as follows:

1. Enforceability of Covenants. The covenants and restrictions of Developer set forth herein are intended to be and shall be considered covenants which run with the real estate described in Exhibit A attached hereto and shall bind all subsequent owners of the real estate described in Exhibit A attached hereto, except to the extent herein provided. The covenants of Developer set forth herein are enforceable by MSHA as a contract beneficiary whether or not Developer is or remains indebted to MSHA. The covenants of Developer set forth herein shall survive a sale, transfer, or other disposition of the Development by Developer or the repayment of the grant given by MSHA to Developer.

2. Covenants. Developer hereby covenants and represents to MSHA as follows:

A. Location. The Development shall be located on the real estate described in Exhibit A attached hereto.

B. McKinney Act Restrictions. For twenty (20) years beginning on the date of initial occupancy of the Development, in accordance with the provisions contained in Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act, 42 USC § 1138 et seq. and its implementing rule, the Supportive Housing Rule (24 CFR 583 et seq.) (collectively the "McKinney Act"), and which provisions the Developer hereby agrees to abide by, the Development shall be used as transitional housing for homeless youth and the rent of each resident of the Development shall not be greater than the highest of:

(i) 30% of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses, and child care expenses);

(ii) 10% of the family's monthly income; or

(iii) if the family is receiving payments for welfare assistance from a public agency and a part of the payments adjusted in accordance with the family's actual housing costs is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is so designated.

3. **Remedies.** In the event Developer fails to comply with the covenants set forth herein, MSHA shall be able to pursue its remedies under the Sub-Grant Agreement and the documents executed in connection therewith and to maintain an action in law or in equity against Developer to recover the damages incurred by MSHA from such failure or to require Developer (through injunctive relief or specific performance) to comply with the provisions and covenants set forth herein and to immediately cure any failure to comply with the covenants set forth herein by Developer.

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of MSHA and the Developer as of the date first above written.

MAINE STATE HOUSING AUTHORITY

Witness: Linda Ditch

By: [Signature]
Erin Rodriguez
Its Counsel

CREATIVE HOUSING ALTERNATIVES FOR MAINE PEOPLE

Witness: Linda Ditch

By: [Signature]
Print Name: Paul W McElhinney
Title: President

BK9296 PG003

State of Maine

County of Cambden, ss.

February 2, 1999

Personally appeared the above-named Paul W. McQuinn, as President of Developer and acknowledged before me the foregoing to be his/her free act and deed in his/her said capacity and the free act and deed of the Developer.

Linda A. Maloy
Print Name: LINDA A MALOY
~~Notary Public~~/Attorney-at-Law
Commission Expires: _____

State of Maine

County of Portland, ss.

February 2, 1999

Personally appeared the above-named Erin Rodriguez, as Counsel of MSHA and acknowledged before me the foregoing to be his free act and deed in his said capacity and the free act and deed of MSHA.

Linda A. Maloy
Print Name: LINDA A. MALOY
~~Notary Public~~/Attorney-at-Law
Commission Expires: _____

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EXHIBIT A

A certain lot or parcel of land with the buildings thereon situated at the corner of June Street and Sherburne Street, in the Town of Sanford, York County, Maine, bounded and described as follows: Beginning at the corner of June and Sherburne Street, and running thence in a Northerly direction along said June Street a distance of 145 feet, more or less, to land now or formerly of Dr. Marcel Ouellette; thence turning and running in an Easterly direction along land now or formerly of Willie Dubois two hundred feet, more or less, to land now or formerly of Albert Perron; thence turning and running in a Southerly direction along land now or formerly of said Perron 145 feet, more or less, to Sherburne Street; thence turning and running in a Westerly direction along said Sherborne Street 200 feet, more or less, to June Street and the point of beginning.

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ATTEST: *Sais M. Clune*
REGISTER OF DEEDS

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