

When Recorded Return To:

COLORADO DIVISION OF HOUSING
ATTENTION: (Asset Manager's Name)
1313 SHERMAN STREET, ROOM 518
DENVER, CO 80203

DOH Contract # H8HOM07069T

COLORADO DIVISION OF HOUSING BENEFICIARY AND RENT USE COVENANT

THIS BENEFICIARY AND RENT USE COVENANT is made this _____ day of _____, 20___, by the Jefferson County Housing Authority, ("Owner"), fee simple owner of certain property further described herein.

WHEREAS, the Owner is recipient of funds from the Colorado Division of Housing to be used for the acquisition of the project known as: Redwood Apartments, located at 5385 W. 78th Place, Arvada, CO 80003, otherwise known as real property situate in Jefferson County, State of Colorado (the "Property"):

Lot 3, STRAWBERRY GARDENS SUBDIVISION, County of Jefferson, State of Colorado

WHEREAS, as a condition to the receipt of such funds, Owner has agreed to record a covenant to run with the Property to insure that certain rental and occupancy limitations associated with the program are met;

NOW, THEREFORE, the following is established as a covenant running with the Property;

1. Restriction. For the term of the Restriction, the Property shall be used primarily to provide housing for Eligible Beneficiaries at Affordable Rents, as defined herein.
2. Eligible Beneficiaries. The owner, its successors, assignees, heirs, grantees, or lessees shall insure that the units listed below are affordable to households whose income is equal to or less than the listed Area Median Income (AMI) at the time the household initially occupies their rental unit. Income eligibility requirements are defined by the Department of Housing and Urban Development (HUD), or if no longer published, by an equivalent type index.

Type of Units	# of Units	Income of Beneficiaries
<u>HOME-Assisted Units</u>		
(2) 1BR, (2) 2BR	4	≤ 30% of AMI (\$ <u>21,500</u>)
(3) 2BR	3	≤ 50% of AMI (\$ <u>35,850</u>)
<u>Other Affordable Units</u>		
(7) 1BR, (16) 2BR	23	≤ 50% of AMI (\$ <u>35,850</u>)
(2) 1BR, (6) 2BR	8	≤ 60% of AMI (\$ <u>43,020</u>)
(2) 1BR, (6) 2BR	8	≤ 80% of AMI (\$ <u>57,350</u>)
(1) 1BR, (2) 2BR	3	≤ 120% of AMI (\$ <u>86,040</u>)
<u>Employee's Units</u>		
(1) 2BR	1	Unrestricted
<u>Total Units</u>	50	

Incomes listed in the chart above are for four (4) person families.

3. Affordable Rents. To insure the housing is affordable to low income households, the 7 DOH assisted rental units must have rents that are the lesser of the Section 8 FMR, as periodically established by HUD less the HUD approved utility allowance for tenant paid utilities, or, the HUD AMI rents, less the HUD approved utility allowances.

Jefferson County	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
Fair Market Rent eff. (10/2006)	718	909	1,291	1,504
30 % of AMI Rents	403	483	559	623
50 % of AMI Rents	671	806	931	1,038
60% of AMI Rents	806	967	1,118	1,246
80% of AMI Rents	1,075	1,290	1,491	1,663
120% of AMI Rents	1,612	1,935	2,236	2,493

4. Long Term Affordability. The owner, its successors, assignees, heirs, grantees, or lessees shall ensure that this property remains affordable, without regard to the term of any mortgage or transfer of ownership, for a period of not less than 30 years. The minimum HUD affordability period requirement is 10 years. CDOH has an additional 20 years of affordability for a total of 30 years following the official project close out date. Re-payment of funds provided does not terminate the affordability period.
5. Termination .This affordability restriction may terminate upon foreclosure or transfer in lieu of foreclosure, unless the owner of record, before the foreclosure, or anyone with business or family ties to the owner, obtains an ownership interest in the property through the foreclosure.
6. Change in Use. If this property is not used for housing the above described beneficiaries, at the above described rents for 30 years following the date of project closeout, the owner, its successors and assignees, heirs, grantees, or lessees shall be required to repay the State the grant funds attributed to this property, unless the State authorizes the transfer of repaid funds to one or more public housing entities, or private nonprofit corporations.
7. Enforcement. Jefferson County, Colorado Division of Housing and/or the Department of Housing and Urban Development, or appropriate representatives thereof may enforce this Covenant.
8. Upon satisfaction of the above covenants, DOH will release the owner, its successors, assignees, heirs, grantees, or lessees of this agreement.

PROPERTY OWNER'S LEGAL NAME Jefferson County Housing Authority
 ENTITY TYPE a Colorado public body corporate and politic

By: Alan M. Feinstein Date 9/20/2007
 Typed Name Alan M. Feinstein
 Title Executive Director



State of Colorado)
 County of Arapahoe) ss.

The foregoing instrument was subscribed to and acknowledged before me this 20th day of Sept, 2007, by Alan M. Feinstein as Executive Director of Jefferson County Housing Authority, a Colorado public body corporate and politic
 Witness my hand and official seal

Jessica R. Hallgren
 Notary Public