FUNDING AGREEMENT
(ARPA FUNDS / IMPACT INVESTMENT FUND)

THIS FUNDING AGREEMENT ("Agreement") is made between the **CITY AND COUNTY OF DENVER**, a municipal corporation organized pursuant to the Constitution of the State of Colorado ("City"), and **ELEVATION COMMUNITY LAND TRUST**, a Colorado Nonprofit Corporation, whose address is 1114 W. 7th Ave, Suite 101, Denver, CO 80204 ("Grantee"), each individually a "Party" and collectively the "Parties."

WITNESSETH:

WHEREAS, the City was awarded funds pursuant to Section 603(b) of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act, Public Law No. 117-2 (March 11, 2021);

WHEREAS, the City desires to provide funding to Grantee for costs related to the acquisition costs of at least sixty-two (62) income restricted Units that will be sold at prices affordable to low- to moderate income households pursuant to the terms of this Agreement (the "Project");

WHEREAS, the City is making certain monies available to ensure that the Units (as defined in Section 7) are acquired to be used as affordable housing pursuant to the terms of this Agreement;

WHEREAS, Grantee is eligible to receive funds from the City, and is ready, willing and able to meet the conditions associated therewith.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the Parties agree as follows:

1. **THE PROJECT**: Grantee agrees to carry out the Project in accordance with the scope of services and budget set forth in Exhibit A, attached hereto and incorporated herein.

2. **TERM**: The Agreement will commence on September 1, 2023 and will expire on August 31, 2026 (the "Term").

3. **GRANT AMOUNT**:

A. The amount to be paid by the City to Grantee shall not exceed **Six Million Two Hundred Twenty Thousand Dollars and NO/100 ($6,220,000.00)** (the "Grant"). The Grant will consist of Five Million Five Hundred Twenty Thousand Dollars and NO/100 ($5,520,000.00) of funding from ARPA and Seven Hundred Thousand Dollars and No/100 ($700,000.00) of funding from the Investment Impact Fund.

B. The City will make the Grant funds available to Grantee in the following annual tranches:

i. Contract Year 1 (September 1, 2023 – August 31, 2024): $2,540,000.00, consisting of $1,840,000.00 of ARPA Funds and $700,000.00 of Investment Impact Funds.

ii. Contract Year 2 (September 1, 2024 – August 31, 2025): $1,840,000.00 of ARPA Funds.

iii. Contract Year 3 (September 1, 2025 – August 31, 2026): $1,840,000.00 of ARPA Funds.

C. Funding for Contract Year 1 or Contract Year 2 may be carried over into subsequent contract years. The annual tranches for Contract Year 2 and Contract Year 3 may be made available earlier to Grantee than the dates specified above if Grantee has drawn down the full balance of available funding for a particular contract year and has demonstrated continuous progress in selling Units acquired pursuant to this Agreement.

D. The City's payment obligation, whether direct or contingent, extends only to funds appropriated annually by the Denver City Council, paid into the Treasury of the City, and encumbered for the purpose of the Agreement. The City does not by this Agreement irrevocably pledge present cash reserves for payment or performance in future fiscal years. The Agreement does not and is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

4. USE AND DISBURSEMENT OF GRANT FUNDS; DEADLINE FOR DISBURSEMENT:

A. As set forth in Exhibit A, the Grant will be used for acquisition costs of single-family attached or detached residences, or multifamily residences from two to ten units, that must be used as affordable housing and sold to low- to moderate-income households pursuant to the terms of this Agreement.

B. Grantee shall submit to the City requisitions with documentation of incurred costs on HOST approved forms, and otherwise comply with the disbursement requirements set forth in Exhibit A, Exhibit B, attached hereto and incorporated herein, and Section 5 of this Agreement. Grantee may not request disbursement of funds until the funds are needed for payment of eligible costs.

C. HOST shall retain Ten Thousand Dollars and No/100 Dollars ($10,000.00) of the total funds to be disbursed under this Agreement (the "Compliance Retainer"), which retainer shall be released upon compliance with the requirements set forth in Exhibit B.

D. Grantee must submit all documentation for draw down requests no later than the end of the Term. Expenses incurred prior to October 12, 2022, are not eligible for reimbursement.

5. **ARPA FUNDS**: Grantee agrees and acknowledges that some or all of the funds encumbered by the City for the purposes of this Agreement have been provided in accordance with Section 603(b) of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act, Public Law No. 117-2 (March 11, 2021) (along with all rules and regulations promulgated thereunder, "ARPA"). The Parties acknowledge that all funding from ARPA (collectively, "ARPA Funds") may only be used to cover those eligible costs incurred by the City during the period that begins on March 3, 2021 and ends on December 31, 2024:

A. To respond to the public health emergency with respect to the Coronavirus Disease 2019 ("COVID-19") or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or to aid impacted industries such as tourism, travel and hospitality;

B. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the City that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;

C. For the provision of government services to the extent of the reduction in revenue of the City due to the COVID-19 public health emergency relative to the revenues collected in the most recent full fiscal year of the City prior to the emergency; or

D. To make necessary investments in water, sewer, or broadband infrastructure.

Grantee shall only utilize ARPA Funds for the purposes described in this Agreement. Grantee agrees and acknowledges that, as a condition to receiving the ARPA Funds, it shall strictly follow the Coronavirus Local Fiscal Recovery Fund Award Terms and Conditions attached hereto and incorporated herein as **Exhibit C**. All invoices submitted by Grantee to the City pursuant to this Agreement shall use "COVID-19" or "Coronavirus" as a descriptor for those costs that are paid by ARPA Funds to facilitate the tracking of Agreement-related spending related to COVID-19. Grantee shall segregate and specifically identify the time and expenditures billed to the City on each invoice to allow for future review and analysis of COVID-19 related expenses. To avoid an unlawful

duplication of federal benefits, the Parties agree and acknowledge that the any funding provided to Grantee for which ARPA Funds are used shall not also be paid for or reimbursed by monies provided under any other federal program.

Grantee agrees and acknowledges that all work or services performed by Grantee using ARPA Funds must be performed by Grantee no later than the end of the Term of this Agreement. Further, Grantee agrees and acknowledges that all disbursements of ARPA Funds for the Project must be made by the City to Grantee no later than December 31, 2026. As such, Grantee shall invoice the City not later than the end of the Term of this Agreement for all expenses related to the Project for which ARPA Funds will be used to enable sufficient time for the City to review, process, and pay such invoice no later than the performance deadline prescribed in ARPA (the "Invoice Deadline Date"). Any invoice submitted by Grantee after the Invoice Deadline Date for work or services performed on or prior to December 31, 2026 may not be eligible to be paid by ARPA Funds, and, to the extent that ARPA Funds are not available to pay such invoice, partially or in total, such invoice shall only be paid subject to funds appropriated annually by the Denver City Council, paid into the Treasury of the City, and encumbered for the purpose of this Agreement.

To the extent that Grantee's performance hereunder contemplates the spending of ARPA Funds, Grantee shall provide to the City information responsive to mandatory performance measures, including programmatic data sufficient to conduct oversight as well as understand aggregate program outcomes. Further, in providing the ARPA-required information to the City, to the extent possible, Grantee shall provide this programmatic data related to such services disaggregated by race, ethnicity, gender, income, and other relevant demographic factors as may be determined by the City. Grantee shall insert the foregoing requirement into all subcontracts related to this Agreement, thereby obligating all subcontractors to the same reporting requirement as Grantee.

6. IMPACT INVESTMENT FUNDS: Impact Investment Funds may only be used to reimburse Grantee for Units acquired in the priority neighborhoods of Westwood, Globeville Elyria-Swansea, East Colfax, and Sun Valley. These funds were created as a special revenue fund to complement existing funding to create short term and long-term strategies for resident and business stabilization.

7. RESTRICTIONS ON USE OF PROPERTY:

A. Affordability Limitations. Grantee agrees that each of the for-sale affordable dwelling units acquired and created pursuant to this Agreement, whether a single-family dwelling

unit or multi-family dwelling unit (each a "Unit" and collectively the "Units"), shall be sold or resold to a household whose annual income is at or below 80% of the Denver area median income ("AMI") as determined by the U.S. Department of Housing and Urban Development. The requirements of Exhibit A shall apply to all Units.

B. Instruments of Affordability. To ensure that a Unit remains affordable for the required ninety-nine (99) year affordability period (the "Affordability Term"), Grantee must record (i) the Elevation Community Land Trust Land Lease, substantially in the form of Exhibit D (the "Land Lease"), on each Unit prior to or upon the initial sale of a Unit to a purchaser, or (ii) the covenant or deed restriction, substantially in the form of Exhibit F (the "ECLT Covenant"), on a Unit that will not be owned in the land trust model.

i. Land Lease. Upon execution of each Land Lease, Grantee shall cause the buyer to execute and notarize a lease rider that is substantially in the form attached hereto as Exhibit E (the "City and County of Denver Rider"), which shall be recorded in the real estate records of the City and County of Denver. Grantee is prohibited from executing any Land Lease that contains any modifications to Section 9.2 or Articles 3, 4, 10, or 12 or the City and County of Denver Rider. If Grantee fails to enforce the terms of the Land Lease, the City has the right to enforce the terms of the Land Lease, void a non-compliant sale, or force the sale of a non-compliant unit to an income qualified buyer.

ii. Covenant or Deed Restriction. Upon execution of each ECLT Covenant, Grantee shall cause the buyer to execute and notarize a covenant rider that is substantially in the form attached hereto as Exhibit G (the "City and County Covenant Addendum"), which shall be recorded in the real estate records of the City and County of Denver. Grantee is prohibited from executing and ECLT Covenant that contains any modifications to Section 1.04(a), Section 1.05, Article II, Article VIII or the City and County of Denver Covenant Addendum. If Grantee fails to enforce the terms of the ECLT Covenant, the City has the right to enforce the terms of the ECLT Covenant, void a non-compliant sale, or force the sale of a non-compliant unit to an income qualified buyer

C. Maximum Sale Price.

i. Initial Sales of Units. The initial sales price of Units sold by Grantee shall be affordable to households at or below 80% AMI as determined by the U.S. Department of Housing and Urban Development.

D. Subsequent Sales of Units. The maximum resale price of Units subject to a Land Lease will be determined in accordance with the terms of Land Lease. The maximum resale price of Units subject to an ECLT Covenant will be determined in accordance with the terms of the ECLT Covenant.

E. Limit on Total Housing Payment. Additionally, for Units sold or resold by Grantee, the sum of all mortgage payments (including principal, interest, taxes, and insurance), land lease or program fees, and HOA fees, if applicable ("Total Housing Payment"), must not exceed thirty-three percent (33%) (or thirty-five percent (35%) with a Grantee-approved waiver) of the buying household's monthly income at the time of purchase.

F. Sales During Affordability Term. Should any of the Units be resold during the Affordability Term, Grantee shall provide to HOST (i) the income verification for the new purchasers; and (ii) the resale price of the Unit. These reports shall be provided to HOST on an annual basis by February 15 for the preceding calendar year.

G. All affordability requirements shall survive the expiration or earlier termination of this Agreement.

8. EXAMINATION OF RECORDS/REPORTING REQUIREMENTS/ ANNUAL MONITORING; INSPECTIONS:

A. Examination of Records: Grantee shall maintain records of the documentation supporting the use of ARPA Funds in an auditable format, for the later of five (5) years after final payment under this Agreement or the expiration of the applicable statute of limitations. Any authorized agent of the City, including the City Auditor or his or her representative, and for ARPA Funds any authorized agent of the Federal government, including the Special Inspector General for Pandemic Recovery ("Inspector General") have the right to access, and the right to examine, copy and retain copies, at the official's election in paper or electronic form, any pertinent books, documents, papers and records related to the Grantee's use of ARPA Funds pursuant to this Agreement. The Grantee shall cooperate with Federal and City representatives and such representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of five (5) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of the use of ARPA Funds, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with

respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this section shall require the Grantee to make disclosures in violation of state or federal privacy laws. The Grantee shall at all times comply with D.R.M.C. 20-276.

B. Required Information and Reports. Grantee shall submit to the City an annual report in accordance with the requirements of Exhibit A. This requirement shall survive the Term of this Agreement and shall remain in effect for the Affordablity Term of any and all Units.

C. Access and Inspections. For the purposes of assuring compliance with this Agreement, the City shall have the reasonable right of access to the Property, without charges or fees during the period of rehabilitation.

9. GRANTEE AUTHORITY. Grantee must provide the City with (i) evidence that it is a Colorado non-profit corporation in good standing and authorized to transact business in the State of Colorado; (ii) evidence in a form satisfactory to the City that the person executing this Agreement and any other documents related to the Grant has the full power and authority to bind Grantee; and (iii) all organizational documents related to Grantee, which must be acceptable to the City. Organization documents include, but are not limited to, Articles of Organization, an operating agreement, and a certificate of good standing.

10. CONDITIONS PRECEDENT TO CITY'S FUNDING: Prior to disbursing any Grant funds for a particular Unit, Grantee must provide HOST with the information and documents specified in Exhibit A.

11. COSTS AND EXPENSES: Grantee agrees to pay all direct costs, expenses and attorney fees reasonably incurred by the City in connection with Grantee's breach or default of this Agreement or the Covenant. Grantee agrees to pay reasonable closing costs, including all recording charges, costs of surveys, costs for certified copies of instruments, costs incurred for obtaining any documents or reports required pursuant to this Agreement, and all other costs incurred by the City in connection with the funding.

12. PUBLICATIONS/ANNOUNCEMENTS: Grantee's use of radio or television announcements, newspaper advertisements, press releases, pamphlets, mail campaigns, or any other marketing methods funded by HOST, or publicizing activities or projects funded by HOST shall be subject to prior approval of HOST. In any event, all such publicizing activities must include the following statement: "The funding source for this activity is the City and County of Denver,

Department of Housing Stability." HOST shall be acknowledged in any events regarding the project being funded, including groundbreakings and openings.

13. **ACKNOWLEDGEMENT OF FUNDING**: Grantee will provide and install at the Units signs, in a form mutually agreeable to the Executive Director of HOST and Grantee acknowledging the participation of the City and the City funding of the acquisition of the Unit.

14. **CONDITIONS**:

A. The obligation of the City to lend the above sums is limited to funds appropriated for the purpose of this Agreement and paid into the City treasury.

B. This Agreement is subject to the provisions of ARPA, the City Charter and Revised Municipal Code as the same may be amended from time.

15. **INSURANCE**: Grantee or its contractor(s) shall procure and maintain insurance in the following types and amounts:

A. Commercial General Liability Insurance covering all operations by or on behalf of Grantee, on an occurrence basis with limits not less than $1,000,000 per occurrence, $2,000,000 products and completed operations aggregate, and $2,000,000 policy aggregate. Grantee's contractor shall include all subcontractors as insureds under its policy or shall furnish separate certificates of insurance for each subcontractor.

B. Worker's Compensation and Employer's Liability Insurance at statutory limits and otherwise sufficient to ensure the responsibilities of Grantee and its contractor under Colorado law.

C. Grantee shall maintain Automobile Liability with minimum limits of $1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.

D. Certificates of Insurance evidencing the above shall be submitted prior to the initial disbursement of the Grant. Policies shall include a waiver of subrogation and rights of recovery against the City. Insurance companies providing the above referenced coverage must be authorized and licensed to issue insurance in Colorado and be otherwise acceptable to the Risk Management Office.

16. **DEFENSE & INDEMNIFICATION**:

A. Grantee agrees to defend, indemnify, and hold harmless City, its appointed and elected officials, agents and employees against all liabilities, claims, judgments, suits or demands

for damages to persons or property arising out of, resulting from, or relating to the work performed under this Agreement ("Claims"), unless and until such Claims have been specifically determined by the trier of fact to be due to the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Grantee or its subcontractors either passive or active, irrespective of fault, including City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

B. Grantee's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether Claimant has filed suit on the Claim. Grantee's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/ or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

C. Grantee will defend any and all Claims which may be brought or threatened against City and will pay on behalf of City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of City shall be in addition to any other legal remedies available to City and shall not be considered City's exclusive remedy.

D. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of Grantee under the terms of this indemnification obligation. Grantee shall obtain, at its own expense, any additional insurance that it deems necessary for the City's protection.

E. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

17. **NOTICES**: All notices required by the terms of this Agreement must be hand delivered, sent by overnight courier service, or mailed by certified mail, return receipt requested, to the following:

To Grantee:

Elevation Community Land Trust
Attn: Stefka Fanchi
1114 W. 7th Ave, Suite 101
Denver, Colorado 80204

With a copy to:

Elevation Community Land Trust

Attn: Staff Attorney
1114 W 7th Ave, Suite 101
Denver, CO 80204

To the City:

Executive Director of the Department of Housing Stability
City and County of Denver
201 West Colfax Avenue, Dept. 615
Denver, Colorado 80202

With a copy to:

Denver City Attorney's Office
1437 Bannock St., Room 353
Denver, Colorado 80202

Notices hand delivered or sent by overnight courier are effective upon delivery. Notices sent by certified mail are effective upon receipt. Notices sent by mail are effective upon deposit with the U.S. Postal Service. The Parties may designate substitute addresses where or persons to whom notices are to be mailed or delivered. However, these substitutions will not become effective until actual receipt of written notification.

18. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION:

A. Grantee represents and warrants that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

B. Grantee will not enter into any lower tier transaction with a person who is debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in a covered transaction unless authorized by the federal agency from which the transaction originated.

C. Grantee shall include the certification contained in subsection A of this Section in any and all subcontracts hereunder and shall require any subcontractors or sub-consultants to comply with any and all applicable federal laws, rules and regulations, policies and procedures or guidance concerning the federal debarment, suspension, and exclusion program.

D. Grantee will immediately notify HOST in writing if at any time it learns that it failed to disclose that it or any of its principals were excluded at the time the parties executed this contract if due to changed circumstances the Contractor or any of its principals have subsequently been excluded by a federal agency.

E. The representation made in subsection A of this Section is a material representation of fact upon which reliance was placed when this transaction was entered into.

19. **AUDIT REQUIREMENTS:** Non-profit organizations that expend $750,000 or more in a year in federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (the "**OMB Omni Circular**") and applicable federal regulations.

20. **UNIFORM RELOCATION ACT:** ARPA Funds are subject to the relocation and acquisition requirements of the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, and implementing regulations at 49 C.F.R. Part 24; Section 104(d) of the Housing & Community Development Act, as amended, and implementing regulations at 24 C.F.R. Parts 42 and 92. Grantee must comply with the City's Anti-Displacement and Relocation Assistance Plan on file.

21. **DISPUTES**: All disputes between the City and Grantee arising out of or regarding this Agreement will be resolved by administrative hearing pursuant to the procedure established by D.R.M.C. § 56-106(b)-(f). For the purposes of that administrative procedure, the City official rendering a final determination shall be the Executive Director of HOST.

22. **ASSIGNMENT AND SUBCONTRACTING**: The City is not obligated or liable under this Agreement to any party other than Grantee. Grantee shall not assign, sublet or subcontract with respect to any of the rights, benefits, obligations or duties under this Agreement except upon prior written consent of the City.

23. **CITY NOT PARTY TO CONSTRUCTION CONTRACT**: The City is not, and nothing in this Agreement shall be construed to constitute the City, a party to any construction contract pursuant to which the proceeds hereof are expended

24. **WAIVER**: No waiver of any breach or default under this Agreement shall be held to be a waiver of any other or later breach or default. All remedies afforded in this Agreement shall be construed as cumulative, in addition to every other remedy provided herein or by law.

25. SURVIVAL OF CERTAIN PROVISIONS: The terms of the Agreement and any exhibits and attachments that by reasonable implication contemplate continued performance, rights, or compliance beyond expiration or termination of the Agreement survive the Agreement and will continue to be enforceable. Without limiting the generality of this provision, Grantee's obligations to provide insurance and to indemnify the City will survive for a period equal to any and all relevant statutes of limitation, plus the time necessary to fully resolve any claims, matters, or actions begun within that period.

26. COUNTERPARTS: This Agreement may be executed in multiple counterparts, each of which, when executed and delivered, shall be deemed to be an original and, taken together, shall constitute one and the same instrument.

27. NO DISCRIMINATION IN EMPLOYMENT: In connection with the performance of work under this Agreement, Grantee may not refuse to hire, discharge, promote, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. Grantee shall insert the foregoing provision in all subcontracts.

28. GOVERNING LAW; VENUE: This Agreement shall be construed and enforced in accordance with the laws of the United States, the State of Colorado, and the applicable provisions of the Charter and Revised Municipal Code of the City and County of Denver. Venue for any legal action relating to this Agreement shall lie in the District Court in and for the City and County of Denver.

29. RECITALS: All of the recitals above are hereby confirmed and incorporated herein as part of this Agreement.

30. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS: Grantee consents to the use of electronic signatures by the City. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature,

on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

List of Exhibits to Agreement

Exhibit A – Statement of Work

Exhibit B – Disbursement Terms and Conditions

Exhibit C – Coronavirus Local Fiscal Recovery Fund Award Terms and Conditions

Exhibit D – Form Land Lease

Exhibit E – Form City and County of Denver Rider

Exhibit F – Form ECLT Covenant

Exhibit G – Form City and County of Denver Covenant Addendum

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Contract Control Number: HOST-202368736-00
Contractor Name: ELEVATION COMMUNITY LAND TRUST

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

SEAL

CITY AND COUNTY OF DENVER:

ATTEST:

By: _____

_____

APPROVED AS TO FORM:

Attorney for the City and County of Denver

By: _____

REGISTERED AND COUNTERSIGNED:

By: _____

By: _____

Contract Control Number: HOST-202368736-00
Contractor Name: ELEVATION COMMUNITY LAND TRUST

By: See attached signature page

Name: See attached signature page
(please print)

Title: _____
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

Contract Control Number: HOST-202368736-00
Contractor Name: ELEVATION COMMUNITY LAND TRUST

By: _____

Name: Stefka Fanchi
(please print)

Title: President + CEO
(please print)

ATTEST: [if required]

By: _____

Name: Charles Allison-Godfrey
(please print)

Title: Staff Attorney + Policy Associate
(please print)

Exhibit A
Scope of Work

PROJECT NAME: Elevation Community Land Trust Housing Scattered-Site Acquisition, Rehabilitation, Resale

I. INTRODUCTION

A. Period of Performance Start and End Dates: 09/01/2023 – 8/31/2026

B. Project Description
Elevation Community Land Trust, or a wholly owned affiliate of Elevation Community Land Trust (collectively, "ECLT") to acquire units one of three ways: traditional acquisition and rehabilitation (ECLT acquires homes on the market, invests in rehabilitation, then sells the improvements to a household at or below 80% of the AMI); the Doors to Opportunity program (a buyer-driven program that further leverages ECLT's capital to increase equitable opportunities for households at or below 80% AMI); the Stay in Place Program (a tool for existing low- to-moderate income homeowners to access equity by joining the land trust).

Properties may be single-family attached or detached residences, or multifamily residences from two to ten units. Every property acquired under this contract must be sold to income qualified households earning no more than 80% of the Area Median Income ("AMI") for the Denver region as defined by the US Department of Housing and Urban Development ("HUD").

C. Amount: $6,220,000

D. Funding Source: ☒ American Rescue Plan Act State and Local Fiscal Recovery Funds ($5,520,000) and Impact Investment Funds ($700,000)

Organization: Elevation Community Land Trust, a Colorado nonprofit corporation

EIN#: 85-0671360

1114 W 7th Avenue, Unit 101
Denver, CO 80204

Contact Person: Stefka Fanchi, President & Chief Executive Officer

Phone: 720-822-0895

Email: sfanchi@elevationclt.org

Organization Type:

☒ Non-Profit ☐ For-Profit ☐ Individual ☐ Partnership ☐ Corporation ☐ Publicly Owned ☐ Other

Council District(s): Citywide **Neighborhood(s):** Citywide **Census Block(s): N/A**

Project/activity located in a Target Area: ☐ Yes ☒ No

II. ACTIVITY DESCRIPTION

A. GENERAL
The purpose of this agreement is to provide a subsidy from the Department of Housing Stability ("HOST") of the City and County of Denver ("the City") to ECLT to acquire properties for sale to eligible and qualified households earning no more than 80% of the Denver area median income ("AMI"), as determined by HUD.

ECLT will retain ownership of the land in a community land trust to ensure affordability for a minimum of 99 years by executing and recording a land lease with each homeowner. In the case of condominium properties where ECLT cannot take ownership of the land, ECLT will record a City-approved Deed Restriction or Covenant to ensure affordability for a minimum of 99 years. ECLT will have completed the acquisition and sale of at least 62 affordable-for sale homes located in the City and County by the end of the Period of Performance defined in Section I(A).

B. ECLT'S RESPONSIBILITIES

ECLT is responsible for carrying out activities in a manner satisfactory to the City and consistent with all standards required as a condition of receiving these funds.

1. Property Acquisition

ECLT will identify and acquire the following types of properties within the City and County of Denver, subject to the requirements of Section C., that will be placed into the community land trust:

a. Scattered Site Single Family Properties: Properties may be detached or attached single-family units, townhomes, rowhomes, or condominiums.
b. Multifamily Properties: Properties may be multifamily properties from two to ten units that may be converted to affordable condominiums.

2. Rehabilitation/Construction

a. At the sole cost of ECLT, ECLT will manage the rehabilitation of housing units acquired under Section B.1 based on a scope of work prepared and managed by ECLT.
b. If required by Denver Revised Municipal Code or other regulation established by the City and County of Denver, rehabilitation must be performed by licensed general contractors or specialty contractors.
c. All City code violations discovered at the property must be repaired.
d. Homes built prior to 1978 will require compliance with HUD's Lead Based Paint requirements.

3. Due Diligence

At the sole cost of ECLT, ECLT is responsible for all due diligence, completing activities required or implied, to provide completion of a property's acquisition or rehabilitation including, but not limited to:

a. Environmental studies – Phases I, II, and/or City Environmental Review (if required)
b. Appraisal and appraisal review services
c. Physical Needs Assessments
d. Title services
e. Zoning Compliance
f. Conveyance document preparation
g. Surveys, maps and legal descriptions
h. Construction bids and drawings
i. Permits

4. Compliance/Stewardship Requirements

Properties acquired under this agreement must be sold to the initial buyer and all subsequent buyers as an "affordable home" as defined by the City's affordable housing programs. "Affordable unit" or "Affordable home" is a for-sale home sold to a buyer whose household income is at or below 80% of AMI, as determined by HUD, with adjustments for family size.

a. Long Term Affordability: ECLT will ensure long term affordability of each property acquired and developed under this agreement by executing and recording a Land Lease or Covenant with each homeowner that requires affordability for 99 years, which must include the applicable City Rider. Copies of the recorded land lease or covenant must be provided to HOST upon sale to qualified buyers.

b. Inspections: Upon acquisition and/or rehabilitation completion but prior to sale to, or occupancy of, the initial homebuyer, the property must pass a Housing Quality Inspection performed by HOST. HOST will make best efforts to schedule Housing Quality Inspections within 15 days, and no more than 30 days, upon receiving notice from ECLT. If the property passes the Housing Quality Inspection, the

homebuyer may occupy the property. If the property has minor issues that cause it to not pass the Housing Quality Inspection but do not represent a threat to health or safety, then the homeowner may occupy the property and a new Housing Quality Inspection must be conducted and passed within 90 days. If the property has major issues that cause it to not pass the Housing Quality Inspection and represent a threat to health or safety, then the property may not be occupied and must pass a Housing Quality Inspection prior to occupancy.

c. Income Qualification for Initial Sales: ECLT is responsible for ensuring that initial buyers of homes acquired under this contract are income eligible and qualified. For the purposes of this contract, at the time of sale, the participant household must meet City of Denver's income eligibility guidelines, with household income defined as at or below the current 80% of AMI, as determined by HUD, based on household size.

d. Income Qualification for Subsequent Sales: ECLT is responsible for ensuring that subsequent buyers of homes acquired under this contract are income eligible and qualified.

e. Notification of Sale: ECLT must provide notification to the City of a sale at least 30 days in advance of the date of the scheduled closing and include the buyer's income verification notification or other sufficient summary information to confirm that the buyer was appropriately income verified, and the proposed sales price.

f. Occupancy Requirements: ECLT will ensure that the homeowner occupies the unit for a minimum of nine months per year. Homeowners must comply with the City's rules and regulations for Short Term Rentals and/or any other applicable local, state, or federal laws regarding rental housing.

g. City Right to Audit: The City has the right to audit the income qualification documentation for each residential unit buyer and/or ECLT's income qualification process, in each case on an annual basis. The documentation must be sufficient to demonstrate that the purchasing household's total income did not exceed 80% of AMI, as determined by HUD, based on household size at the time of qualification. ECLT must collect documentation based on the City's income qualification requirements at the time of application and is responsible for obtaining guidance regarding the appropriate documentation from City.

C. EXCLUDED ACTIVITIES.

1. No general operating or administrative costs will be reimbursed under this agreement.

2. No reimbursement will be provided for the following activities:

a. Due diligence costs;
b. Acquisition of multifamily properties over 10 units;
c. Construction or rehabilitation of housing;
d. Construction or rehabilitation of Accessory Dwelling Units;
e. Luxury improvements (i.e. swimming pools, hot tubs, etc.);
f. Existing debt service;
g. Retiring existing debt;
h. Public improvements.

D. REIMBURSEMENT REQUIREMENTS

1. The Grant will only be used to reimburse costs associated with the acquisition of real property within the City and County of Denver for use as for-sale affordable housing. Funds will be used as reimbursements based on the size of the units acquired and may not exceed:

- $75,000 for 2-bedroom or smaller units
- $90,000 for 3-bedroom units
- $100,000 for 4 or more-bedroom units.

2. ECLT may request reimbursement of acquisition costs once a property is acquired.

3.

4. In the reimbursement request packet, ECLT will provide HOST with the following documents for each unit for which reimbursement is sought:
   a. A recorded copy of ECLT's Warranty Deed;
   b. A copy of the Buyer's Closing Settlement Statement;
   c. Documentation of the unit size (bedrooms) in a form satisfactory to the City;
   d. Copies of the recorded 99-year land lease or 99- year Deed Restriction/Covenant, as applicable, which must include the applicable City Rider for all properties acquired pursuant to this Agreement previously sold to qualified homebuyers and not yet provided to HOST.
   e. Copies of all URA-required notices issued, as applicable.
5. Impact Investment Funds may only be used to reimburse for acquisition costs of units in the priority neighborhoods of Westwood, Globeville Elyria-Swansea, East Colfax, and Sun Valley. These funds were created as a special revenue fund to complement existing funding to create short term and long-term strategies for resident and business stabilization.

E. OTHER REQUIREMENTS

1. Interim Property Management: ECLT will maintain and secure all properties acquired under this contract prior to the sale to the initial homebuyer.

2. Tenant Support: ECLT will ensure that any tenant of an acquired property who is unwilling or unable to purchase the unit has access to organizations and resources that will provide housing navigation and other assistance at the termination of the lease. A tenant of a property acquired pursuant to this Agreement may occupy the acquired property for the remaining term of an existing lease. ECLT shall promptly provide the City with a copy of any lease agreement applicable to a property acquired pursuant to this Agreement. Any lease that ECLT assumes or that is otherwise applicable to a property acquired pursuant to this Agreement may not contain any of the provisions listed below. ECLT agrees to amend and remove such provisions in any existing lease agreement. HOST acknowledges that any lease amendments must be mutually agreed upon by ECLT and the tenant. ECLT will make a reasonable effort to fully execute such an amendment if the below provisions exist in the lease. Should the tenant be unwilling to execute an amendment, ECLT agrees not to enforce any of the below provisions.

a. Agreement to Be Sued. Agreement by the tenant to be sued, admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
b. Treatment of Property. Agreement by the tenant that the owner may take, hold or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. However, the owner may dispose of personal property remaining in the unit after the tenant has moved out in accordance with Colorado law.
c. Excusing Owner from Responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for actions or failure to act, whether intentional or negligent.
d. Waiver of Notice. Agreement by the tenant that the owner may institute a lawsuit without notice to the tenant.
e. Waiver of Legal Proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
f. Waiver of Jury Trial. Agreement by the tenant to waive any right to a trial by jury.
g. Waiver of Right to Appeal. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge a court decision in connection with the lease.
h. Tenant Chargeable with Cost of Legal Actions Regardless of Outcome. Agreement by tenant to pay attorney fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant.
i. Mandatory Supportive Services. Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

3. Uniform Relocation Act: The Agreement is subject to the relocation and acquisition requirements of the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, and

implementing regulations at 49 C.F.R. Part 24; Section 104(d) of the Housing & Community Development Act, as amended, and implementing regulations at 24 C.F.R. Parts 42 and 92. The Grantee must comply with the City's Anti-Displacement and Relocation Assistance Plan on file.

F. PERFORMANCE MONITORING

1. The City will monitor the performance of ECLT based on goals and performance standards as stated above along with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this contract.
2. Within 30 days of a request by HOST, ECLT must submit to the City an annual report of all sales activity that occurred within the calendar year, including date of sale, buyer name or names, property address, sales price, and verification that the buyer's income is at or below 80% of AMI, as determined by HUD, at the time of sale, and a calculation of the aggregate income of all buyers of properties acquired under this agreement.
3. ECLT must monitor and enforce compliance by each such buyer of their obligations under the related Land Lease or Covenant executed by such buyer for such residential unit.

EXHIBIT B

DISBURSEMENT
TERMS AND CONDITIONS

I. Disbursement Request Procedures

a. Disbursements shall be processed through the Department of Housing Stability ("HOST") and the Department of Finance ("DOF").

b. HOST will disburse loan or grant funds to the Borrower or Grantee (referred to herein as the "Borrower") for "hard cost expenses," "soft cost expenses," and "acquisition cost expenses" ("Disbursement") upon the Borrower's written request delivered to HOST (the "Disbursement Request"). The Disbursement Request shall be in the form approved or required by HOST and DOF and may be submitted no more frequently than once every month. Disbursement Requests must be submitted by Borrower electronically to the assigned HOST staff member who will review the submission for completeness and accuracy.

c. Prior to the first Disbursement Request, Borrower must provide to the City for review and approval, if necessary, the following items:

   i. A partnership agreement, operating agreement, corporate resolution, or other corporate documentation to demonstrate who has authority for the Borrower to submit Disbursement Requests.
   ii. The affirmative marketing plan.
   iii. The tenant selection plan.
   iv. The form lease agreement for dwelling units at the Project, which contains no prohibited provisions as described in the Agreement.

d. All Disbursements will be via check unless ACH or other method of disbursement is requested.

e. Disbursements involving federal funds must have satisfied, as may be applicable, all environmental review requirements under 24 C.F.R. Part 58.

f. The Borrower may not make a Disbursement Request until such funds are needed to pay costs of the Project. The amount of each Disbursement Request must be limited to the amount needed to pay costs actually incurred by the Borrower at the time of the Disbursement Request. The Disbursement Request may not include items previously submitted to and reimbursed by other lenders, amounts for prospective or future needs, funds to be placed into escrow accounts, or advances in lump sums to the Borrower.

g. Each Disbursement Request must be accompanied by documentation acceptable to HOST and DOF that evidence payments for which a disbursement request has been made. HOST and DOF will review documentation for incurred costs that match the Disbursement Request. Documentation to be submitted with a Disbursement Request shall include, but not be limited to:

i. A completed and signed HOST expense certification form.
ii. For hard cost draws, a completed standard AIA Form G702 and Form G703 certified by the architect and signed and notarized by the general contractor. If the Disbursement Request includes costs for minor construction not shown on the G702 and G703, the scope of work and contractor invoices must be submitted.
iii. Invoices and other evidence satisfactory to HOST and DOF for "hard" or direct costs provided to the Project with respect to the Disbursement Request. All invoices must show the Project name and address.
iv. Invoices and other evidence satisfactory to the City for "soft" or indirect costs provided to the Project with respect to the Disbursement Requests. All invoices must show the Project name and address.
v. Evidence satisfactory to HOST and DOF to demonstrate proof of payment of any cost or expense contained on a Disbursement Request. Evidence of proof of payment may include, but not be limited to: cancelled checks; copies of checks; documentation of cost or expense in a general ledger; credit or debit card statements; final signed settlement statements, wire transfer records, or bank statements.
vi. An updated itemized budget.
vii. Current certificates of insurance.
viii. Lien waivers from all applicable contractors, subcontractors, and suppliers.
ix. For agreements receiving federal funding and to which the Davis-Bacon Act applies, Borrower must be current in submissions of all paperwork and documentation requested by the City to demonstrate compliance with the requirements of the Davis-Bacon Act.
x. For acquisition Disbursement Requests being funded at closing, the following items will be required: a) Preliminary closing statement; b) wire instructions on bank letterhead including date wire is required; and c) final settlement statement and recorded documents after closing.

h. The Borrower must cooperate with HOST in obtaining or providing any additional documentation that may be required by HOST, DOF, or any other agency of the City.

i. The City will retain the first $10,000.00 of Disbursements for the purposes of a Compliance Retainer. The $10,000.00 that is retained pursuant to this provision will be released under the terms described in Section II.

j. The City will disburse to the Borrower 90% of hard expenses for each Disbursement and all of the soft expenses. The retained 10% of hard expense (the "Retainage") shall be disbursed as all or part of the final Disbursement under the terms described in Section II.

k. At all times during the construction of the Project, the City shall have the right, but not the obligation, to enter and inspect all work done, and all materials, equipment, and other matters relating to the Project.

l. HOST reserves the right, in its sole and absolute discretion, to revise or modify the processes, procedures, and requirements related to the disbursement procedures. HOST will notify Borrower of any such changes to the disbursement procedures.

m. The City will not make any Disbursements to the Borrower for costs or expenses that:
    i. Are prohibited by Federal or City regulations related to the funding source.
    ii. Are not requested or otherwise not in accordance with Agreement or the procedures for a Disbursement Request set forth herein.
    iii. Were requested or incurred, or both, after the termination of the Agreement or outside the time periods set forth in the Agreement.
    iv. Were requested during the occurrence and continuation of an event of default specified in the Agreement.

II. **Disbursement of Compliance Retainer and Retainage**

a. *Compliance Retainer*. For the City to release the Compliance Retainer, a Disbursement Request must be submitted along with the following information, as applicable:
    i. A completed HOST expense certification form.
    ii. For loans or grants funded with federal funds, any required federal forms or reports. The City must review and approve any completed federal forms or reports for any federally funded agreement.
    iii. All documents or items required to be submitted to the City pursuant to the Agreement not previously provided.
    iv. A certificate of occupancy or a temporary certificate of occupancy.
    v. Current certificates of insurance.
    vi. Updated title policy with date down endorsement or copy of date down endorsement for senior lender dated within 15 days of draw request.
    vii. The Project must pass a Housing Quality Standards ("HQS") inspection performed by the City.
    viii. Lease-up information on the City Units or HOME Units, as applicable. The information must include number of bedrooms in the unit, household size, tenant household incomes, date of income certification, tenant paid portion of rent, total lease rent, voucher amounts, voucher type (project based or tenant based), utility allowance amount, lease start and end dates, and demographic data. HOST will review this information to confirm the Project's lease-up is in compliance with the affordability restrictions contained in the Agreement and Rental & Occupancy Covenant.
    ix. Any other documents required by HOST.

b. *Retainage*. For the City to release the Retainage, a Disbursement Request must be submitted along with the following information, as applicable:
   i. A completed HOST expense certification form.
   ii. Final lien waivers or proof of release of liens in form and substance satisfactory to the City from all applicable contractors, subcontractors, and suppliers, as applicable.
   iii. A copy of the completed AIA G704 Form for the senior lender, signed by the architect, general contractor, and Borrower that shows -$0.00- as the cost estimate of work that is incomplete or defective.
   iv. A copy of the completed AIA G706 Form for the senior lender, signed by the general contractor and notarized, verifying that all debts and claims have been settled.
   v. A copy of the completed AIA G706A Form for the senior lender, signed by the general contractor and notarized, stating that all releases or waivers of liens have been received.
   vi. All documents or items required to be submitted to the City pursuant to the Agreement not previously provided.
   vii. A certificate of occupancy or a temporary certificate of occupancy.
   viii. Current certificates of insurance.
   ix. Updated title policy with date down endorsement or copy of date down endorsement for senior lender dated within 15 days of draw request.
   x. The Project must also pass a Housing Quality Standards ("HQS") inspection performed by the City.
   xi. Uniform Relocation Assistance and Real Property Acquisition Policies Act ("URA") Determination, as applicable.
   xii. Environmental mitigation memorandum of understanding, as applicable.
   xiii. Any other documents required by HOST.

III. **Conditions Precedent to All Disbursements**

a. The making of each Disbursement shall be subject to the satisfaction of each of the following additional conditions precedent, and a waiver of any condition to any Disbursement shall not constitute a waiver as to any subsequent Disbursement. The City may, in its sole discretion, withhold all or a portion of a Disbursement if any of the following conditions have not been satisfied or if the Borrower has not submitted the required documentation and information required by the Agreement, including the documentation and information required by these terms and conditions.
   i. *No Default*. The Borrower must be in full compliance with, and must not be in default under the Promissory Note, the Deed of Trust, or the Covenant or any other document executed by the Borrower in connection with the loan or grant.
   ii. *Time to Complete the Project*. In the sole opinion of the City, there must be sufficient time remaining to complete the construction of the Project in accordance with the terms of the Agreement, and in conformance with federal regulations and requirements for federally funded loans or grants.

iii. *Sufficient Funds Available to Complete the Project*. If requested by the City, the Borrower shall furnish evidence satisfactory to the City, in its sole discretion, that the amount of the loan or grant yet to be disbursed, together with any other sources of funds available to the Borrower and not yet disbursed, will be sufficient to complete the Project in compliance with the Agreement and to pay all costs therefore, and all other direct or indirect costs relating to the loan or grant and the Project.

iv. *Lien waivers*. If requested by the City, the Borrower shall furnish data in a form satisfactory to the City with respect to prior Disbursements and expenditures relating to the Project, and shall furnish lien waivers from the contractor and all subcontractors for work done and materials supplied to the Project to the date of the Disbursement Request.

v. *Use of Funds*. Subject to the terms of the Agreement, the Borrower shall use the proceeds of the loan or grant exclusively for the costs of the Project.

vi. *Compliance with Federal Requirements*. As applicable, Borrower must be compliant with all federal requirements, including, but not limited to, compliance with the Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968, and all reporting obligations under any such federal requirements.

vii. *Pass-Through Loans*. If the Agreement is structured as a "pass-through" loan, Borrower must demonstrate that Borrower has the authority to submit disbursement requests on behalf of the Project owner, which may be done by providing HOST with an operating agreement or partnership agreement establishing such authority. A "pass-through" loan is defined as a loan made by the City to the Borrower where loan proceeds will be granted or loaned by the Borrower to the developer or owner of the Project for construction and development costs.

IV. **Financial Management Systems – The Borrower must maintain financial systems that meet the following standards:**

a. Financial reporting must be accurate, current, and provide a complete disclosure of the financial results of financially assisted activities and be made in accordance with federal financial reporting requirements.

b. Accounting records must be maintained which adequately identify the source and application of the funds provided for financially assisted activities. The records must contain information pertaining to contracts and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Accounting records shall provide accurate, separate, and complete disclosure of fund status.

c. Effective internal controls and accountability must be maintained for all contract cash, real and personal property, and other assets. Adequate safeguards must be provided on all property and it must be assured that it is used solely for authorized purposes.

d. Actual expenditures or outlays must be compared with budgeted amounts and financial information must be related to performance or productivity data, including the development of cost information whenever appropriate or specifically required.

e. For contracts subject to Federal Agreements, applicable 2 C.F.R. Part 200 cost principles, agency program regulations, and the terms of the agreement will be followed in determining the reasonableness, allowability and allocability of costs.

f. Source documents such as cancelled checks, paid bills, payrolls, time and attendance records, contract documents, etc., shall be provided for all disbursements. The Borrower will maintain auditable records, i.e., records must be current and traceable to the source documentation of transactions.

g. For contracts subject to Federal Agreements, the Borrower shall maintain separate accountability for HOST funds as referenced in 2 C.F.R. Part 200.

h. The Borrower must properly report to Federal, State, and local taxing authorities for the collection, payment, and depositing of taxes withheld. At a minimum, this includes Federal and State withholding, State Unemployment, Worker's Compensation (staff only), City Occupational Privilege Tax, and FICA.

i. A proper filing of unemployment and worker's compensation (for staff only) insurance shall be made to appropriate organizational units.

j. The Borrower shall participate, when applicable, in HOST provided staff training sessions in the following financial areas including, but not limited to (1) Budgeting and Cost Allocation Plans; (2) Vouchering Process.

V. **Audit Requirements**

a. For contracts subject to Federal Agreements, if the Borrower expends seven hundred and fifty thousand dollars ($750,000) or more of federal awards in the Borrower's fiscal year, the Borrower shall ensure that it, and its sub recipients(s), if any, comply with all provisions of the 2 C.F.R. Part 200.

b. A copy of the final audit report must be submitted to the HOST Financial Manager within the earliest of thirty (30) calendar days after receipt of the auditor's report; or nine (9) months after the end of the period audited.

c. A management letter, if issued, shall be submitted to HOST along with the reporting package prepared in accordance with the Single Audit Act Amendments and the 2 C.F.R. Part 200. If the management letter is not received by the subrecipient at the same time as the Reporting Package, the Management Letter is also due to HOST within thirty (30) days after receipt of the Management Letter, or nine (9) months after the end of the audit period, whichever is earlier. If the

Management Letter has matters related to HOST funding, the Contactor shall prepare and submit a Corrective Action Plan to HOST in accordance with the Single Audit Act Amendments and the 2 C.F.R. Part 200, as set forth in 2 C.F.R. 200.511(c) for each applicable management letter matter.

d. All audit related material and information, including reports, packages, management letters, correspondence, etc., shall be submitted to HOST.

e. The Borrower will be responsible for all Questioned and Disallowed Costs.

f. The Borrower may be required to engage an audit committee to determine the services to be performed, review the progress of the audit and the final audit findings, and intervene in any disputes between management and the independent auditors. The Borrower shall also institute policy and procedures for its sub recipients that comply with these audit provisions, if applicable.

VI. **Procurement**

a. The Borrower shall follow the City Procurement Policy to the extent that it requires that at least three (3) documented quotations be secured for all purchases or services (including insurance) supplies, or other property that costs more than ten thousand dollars ($10,000) in the aggregate.
b. The Borrower will maintain records sufficient to detail the significant history of procurement. These records will include, but are not limited to the following: rationale for the method of procurement, selection of contract type, Borrower selection or rejection, and the basis for the contract price.
c. If there is a residual inventory of unused supplies exceeding five thousand dollars ($5,000) in total aggregate upon termination or completion of award, and if the supplies are not needed for any other federally sponsored programs or projects the Borrower will compensate the awarding agency for its share.

VII. **Bonding**

a. HOST may require adequate fidelity bond coverage, in accordance with 2 C.F.R. 200.304(b), where the subrecipient lacks sufficient coverage to protect the Federal Government's interest.

b. The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access, upon reasonable notice, to any pertinent books, documents, papers, or other records which are pertinent to the contract, in order to make audits, examinations, excerpts, and transcripts.

VIII. **Collection of amounts due**

a. Any funds paid to a Borrower in excess of the amount to which the Borrower is finally determined to be entitled under the terms of the award constitute a debt to the Federal Government and/or the City. If not paid within a reasonable period after demand, HOST may: 1) Make an administrative offset against other requests

for reimbursements, 2) Withhold advance payments otherwise due to the Borrower, or 3) Pursue other action permitted by law.

Exhibit C

OMB Approved No.:1505-0271
Expiration Date: 11/30/2021

U.S. DEPARTMENT OF THE TREASURY
CORONAVIRUS LOCAL FISCAL RECOVERY FUND

Recipient name and address: City and County of Denver 201 West Colfax Avenue, Dept. 1010 Denver, Colorado 80202	DUNS Number: 080483932 Taxpayer Identification Number: 846000580 Assistance Listing Number and Title: 21.019

Sections 602(b) and 603(b) of the Social Security Act (the Act) as added by section 9901 of the American Rescue Plan Act, Pub. L. No. 117-2 (March 11, 2021) authorize the Department of the Treasury (Treasury) to make payments to certain recipients from the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund.

Recipient hereby agrees, as a condition to receiving such payment from Treasury, to the terms attached hereto.

Recipient:

_____
Authorized Representative:
Title:
Date signed:

U.S. Department of the Treasury:

_____
Authorized Representative:
Title:
Date signed:

PAPERWORK REDUCTION ACT NOTICE
The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is 15 minutes per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

U.S. DEPARTMENT OF THE TREASURY
CORONAVIRUS LOCAL FISCAL RECOVERY FUND
AWARD TERMS AND CONDITIONS

1. Use of Funds.

    a. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.

    b. Recipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.

2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Recipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.

3. Reporting. Recipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.

4. Maintenance of and Access to Records

    a. Recipient shall maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.

    b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.

    c. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.

6. Administrative Costs. Recipient may use funds provided under this award to cover both direct and indirect costs.

7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Recipient.

8. Conflicts of Interest. Recipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Recipient and subrecipients must disclose in writing to Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

9. Compliance with Applicable Law and Regulations.

    a. Recipient agrees to comply with the requirements of section 602 of the Act, regulations adopted by Treasury pursuant to section 602(f) of the Act, and guidance issued by Treasury regarding the foregoing. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.

    b. Federal regulations applicable to this award include, without limitation, the following:

        i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

        ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.

        iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.

        iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.

v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.

vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.

vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.

viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

ix. Generally applicable federal environmental laws and regulations.

c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:

i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;

ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;

iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and

v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

10. Remedial Actions. In the event of Recipient's noncompliance with section 602 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 602(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 602(e) of the Act and any additional payments may be subject to withholding as provided in sections 602(b)(6)(A)(ii)(III) of the Act, as applicable.

11. Hatch Act. Recipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

12. False Statements. Recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

13. Publications.Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."

14. Debts Owed the Federal Government.

a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by Recipient shall constitute a debt to the federal government.

b. Any debts determined to be owed the federal government must be paid promptly by Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Recipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

15. Disclaimer.

a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.

b. The acceptance of this award by Recipient does not in any way establish an agency relationship between the United States and Recipient.

16. Protections for Whistleblowers.

a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

b. The list of persons and entities referenced in the paragraph above includes the following:

i. A member of Congress or a representative of a committee of Congress;

ii. An Inspector General;

iii. The Government Accountability Office;

iv. A Treasury employee responsible for contract or grant oversight or management;

v. An authorized official of the Department of Justice or other law enforcement agency;

vi. A court or grand jury; or

vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.

c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Recipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

18. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Recipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

OMB Approved No. 1505-0271
Expiration Date: November 30, 2021

ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS
ASSURANCES OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the Department of the Treasury, the recipient named below (hereinafter referred to as the "Recipient") provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Recipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Recipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Recipient's program(s) and activity(ies), so long as any portion of the Recipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Recipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.
2. Recipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Recipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Recipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Recipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Recipient's programs, services, and activities.
3. Recipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit http://www.lep.gov.
4. Recipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Recipient and Recipient's successors, transferees, and assignees for the period in which such assistance is provided.
5. Recipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

   The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

6. Recipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Recipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal

financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property.

7. Recipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Recipient shall comply with information requests, on-site compliance reviews and reporting requirements.
8. Recipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Recipient also must inform the Department of the Treasury if Recipient has received no complaints under Title VI.
9. Recipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Recipient and the administrative agency that made the finding. If the Recipient settles a case or matter alleging such discrimination, the Recipient must provide documentation of the settlement. If Recipient has not been the subject of any court or administrative agency finding of discrimination, please so state.
10. If the Recipient makes sub-awards to other agencies or other entities, the Recipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that that they are effectively monitoring the civil rights compliance of subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

Under penalty of perjury, the undersigned official(s) certifies that official(s) has read and understood the Recipient's obligations as herein described, that any information submitted in conjunction with this assurances document is accurate and complete, and that the Recipient is in compliance with the aforementioned nondiscrimination requirements.

City and County of Denver
Recipient

_____
Date

_____
Signature of Authorized Official

PAPERWORK REDUCTION ACT NOTICE
The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is 30 minutes per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

NOTICE TO LENDERS, BUYERS AND OTHERS:

******THE PROPERTY DESCRIBED HEREIN IS OWNED BY ELEVATION COMMUNITY LAND TRUST. THE HOMEOWNER IS THE OWNER OF THE IMPROVEMENTS LOCATED ON THE PROPERTY. THE USE OF THE PROPERTY AND IMPROVEMENTS IS CONTROLLED BY THIS LAND LEASE. AMONG OTHER THINGS THE LAND LEASE PROHIBITS SALE OR ENCUMBRANCE OF THE PROPERTY WITHOUT THE PRIOR APPROVAL OF ELEVATION COMMUNITY LAND TRUST AND REQUIRES COMPLIANCE WITH THE HOMEOWNER, LENDER, RESALE AND OTHER PROVISIONS OF THE LAND LEASE. ANY TRANSACTION WHICH VIOLATES THE TERMS OF THE LAND LEASE MAY BE NULL AND VOID.******

ELEVATION COMMUNITY LAND TRUST
LAND LEASE
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Other Exhibits to be Attached as Appropriate

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CITY AND COUNTY OF DENVER RIDER

ELEVATION COMMUNITY LAND TRUST LAND LEASE

THIS LEASE ("this Lease" or "the Lease") entered into this _____ day of _____, 20____, between _____ ELEVATION COMMUNITY LAND TRUST LLC, a Colorado limited liability company ("CLT") and _____("Homeowner").

RECITALS

A. The CLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low and moderate income people who would otherwise be unable to afford homeownership.

B. A goal of the CLT is to preserve affordable homeownership opportunities through the long-term leasing of land under owner-occupied homes.

C. The Leased Land described in this Lease has been acquired and is being leased by the CLT in furtherance of this goal.

D. The Homeowner shares the purposes of the CLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, **but also to further the charitable purposes of the CLT**.

E. Homeowner and CLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the mortgaging, marketing and resale price of the property now being purchased by the Homeowner.

F. Homeowner and CLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, Homeowner and CLT agree on all of the terms and conditions of this Lease as set forth below.

DEFINITIONS: Homeowner and CLT agree on the following definitions of key terms used in this Lease.

Leased Land: the parcel of land, described in Exhibit: LEASED LAND, that is leased to the Homeowner.

Home: the residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner's expense.

Base Price: The total price that is paid for the Home by the Homeowner. The base price does not include commission fees paid to Realtors.

Purchase Option Price: The maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner's right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

Lease Fee: The monthly fee that the Homeowner pays to the CLT for the continuing use of the Leased Land and any additional amounts that the CLT charges to the Homeowner for reasons permitted by this Lease.

Permitted Mortgage: A mortgage or deed of trust on the Home and the Homeowner's right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with the CLT's Permission. **The Homeowner may not mortgage the CLT's interest in the Leased Land, and may not grant any mortgage or deed of trust encumbering the Home without CLT's Permission**. The maximum Permitted Mortgage is equal to the amount of the Purchase Option Price.

Event of Default: Any violation of the terms of the Lease unless it has been corrected ("cured") by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by CLT.

ARTICLE 1: Homeowner's Letter of Agreement and Attorney's Letter of Acknowledgment are Attached as Exhibits.

Attached as Exhibit HOMEOWNER'S LETTER OF AGREEMENT AND ATTORNEY'S LETTER OF ACKNOWLEDGMENT and made part of this Lease by reference are a Letter of Agreement from the Homeowner, describing the Homeowner's understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home), and a Letter of Acknowledgment from the Homeowner's attorney, describing the attorney's review of the Lease with the Homeowner.

ARTICLE 2: Leasing of Rights to the Land

2.1 CLT LEASES THE LAND TO HOMEOWNER: The CLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit LEASED LAND) in accordance with the terms of this Lease. CLT has furnished to Homeowner a copy of the most current title report, if any, obtained by CLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition "as is" as of the signing of this Lease.

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: CLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land's surface. Ownership of such minerals remains with the CLT, but the CLT shall not remove any such minerals from the Leased Land without the Homeowner's written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ___ day of _____, 20__, and ending on the _____ day of _____, 20____, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The CLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-

year period, CLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph ("the Expiration Notice"). The Expiration Notice shall also describe any changes that CLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give CLT written notice stating the Homeowner's desire to renew ("the Renewal Notice"); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and CLT shall sign a memorandum stating that the option has been exercised. The memorandum shall comply with the requirements for a notice of lease as stated in Section 14.12 below. The CLT shall record this memorandum in accordance with the requirements of law promptly after the beginning of the renewal period.

3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by CLT (whether voluntarily or involuntarily) to any other person or entity, this Lease shall not cease, but shall remain binding on the new land-owner as well as the Homeowner. (a) If CLT proposes to transfer the Leased Land to a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the City and County of Denver (the "City") shall have a right of first refusal to purchase the Leased Land. (b) If the City does not exercise its right of first refusal described in subparagraph 3.3(a), then if CLT proposes to transfer the Leased Land to any person or entity other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of the rights of first refusal described in this Section 3.3 shall be as stated in the attached Exhibit FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES: Homeowner shall use, and allow others to use, the Home and Leased Land *only* for residential purposes and any activities related to residential use that are permitted herein and that are permitted by local zoning law. The local zoning law in effect when the Lease was signed is indicated in the attached Exhibit ZONING.

[*To be added when needed:* Use of the Leased Land shall be further limited by the restrictions described in the attached Exhibit RESTRICTIONS.]

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBILY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with

all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS: Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner's permission and shall make all such people aware of the restrictions on use set forth in this Lease.

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST 9 MONTHS EACH YEAR: Homeowner shall occupy the Home for at least 9 months of each year of this Lease, unless otherwise agreed by CLT. Occupancy by Homeowner's child, spouse, domestic partner, or other persons approved by CLT shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor CLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT'S PERMISSION. Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, sell or otherwise convey any of Homeowner's rights under this Lease, for any period of time, without the written permission of CLT. Homeowner agrees that CLT shall have the right to withhold such consent in CLT's discretion in order to further the purposes of this Lease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

a) Any sublease shall be subject to all of the terms of this Lease.
b) If the sublease is for the entire Home, the rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged the Homeowner by the CLT, plus an amount approved by CLT to cover Homeowner's costs in owning the Home, including but not limited to the cost of taxes, insurance, mortgage principal, and mortgage interest.
c) If the sublease is for a portion of the Home, the rental or occupancy fee charged the sub-lessee shall not be more than one-half (1/2) the amount of the Lease Fee charged the Homeowner by the CLT, plus an amount approved by CLT to cover not more than one-half (1/2) of Homeowner's costs in owning the Home, including but not limited to the cost of taxes, insurance, mortgage principal, and mortgage interest.

4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND: The CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 24 hours before the planned inspection. No more than 2 regular inspections may be carried out in a single year, except in the case of an emergency. In an emergency, the CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If the CLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the CLT has the right to inspect the interiors of all fully enclosed buildings to determine

their condition prior to the sale. The CLT must notify the Homeowner at least 24 hours before carrying out such inspection.

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT: Homeowner has the right to quiet enjoyment of the Leased Land. The CLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in an amount equal to: a Land Use Fee of $100 to be paid in return for the continuing right to possess, occupy and use the Leased Land,

5.2 WHEN THE LEASE FEE IS TO BE PAID: The Lease Fee shall be payable to CLT on the first day of each month for as long as this Lease remains in effect.

5.3 HOW THE AMOUNT OF THE LAND USE FEE HAS BEEN DETERMINED: The amount of the Land Use Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount for the Homeowner has been analyzed and, if necessary, the Land Use has been reduced to an amount considered to be affordable for Homeowner.

5.4 CLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY: In its sole discretion, CLT may reduce or suspend the total amount of the Lease Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension of the Lease Fee must be in writing and signed by CLT. Any such reduction or suspension of the Lease Fee is in the sole discretion of CLT and shall not require any other reduction or suspension.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The CLT may increase the amount of the Land Use Fee from time to time, but not more often than once every 2 years. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in the Consumer Price Index for urban wage earners and clerical workers for the urban area in which the Leased Land is located.

5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Land Use Fee shall be increased to an amount calculated by CLT to equal the fair rental value of the Leased Land for use not restricted by the suspended provisions, but initially an amount not exceeding $600 (calculated as of 10/18/18) dollars. Such increase shall become effective upon CLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the CLT may, from time to time, further increase the amount of such Land Use Fee, provided that the amount of the Land

Use Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once in every two (2) years.

5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED: If the CLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the CLT may require Homeowner to pay a late fee of $10.00 per month from the Due Date through and including the date such payment or installment is received by CLT. The late fee shall be deemed additional Lease Fee and shall be paid by Homeowner to CLT upon demand; provided, however, that CLT shall waive any such late fee that would otherwise be payable to CLT if such payment of the Lease Fee is received by CLT on or before the thirtieth (30th) day after the Due Date.

5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD: In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to CLT out of any proceeds from the sale that would otherwise be due to Homeowner. The CLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS: Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to the CLT's interest in the Leased Land).

6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER: In the event that the local taxing authority bills CLT for any portion of the taxes on the Home or Leased Land, CLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, CLT shall join in contesting such taxes. All costs of such proceedings shall be paid by Homeowner.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, CLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, CLT shall pay the amount collected to the taxing authority in a timely manner. In addition, CLT shall have the right to pay the taxes or other charges described in Section 6.1 above on behalf of Homeowner; any such payment made by CLT shall be deemed an additional Lease Fee and shall be paid by Homeowner to CLT upon demand.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party may be asked to furnish satisfactory evidence of the payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND SUBJECT TO THE TERMS OF THIS LEASE: All structures, including the house, fixtures, and other improvements purchased, constructed, or installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. **However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the CLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without CLT's prior written consent**.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit: DEED.

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS: Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; (d) the footprint, square-footage, or height of the house shall not be increased and new structures shall not be built or installed on the Leased Land without the prior written consent of CLT.

For any construction requiring CLT's prior written consent, Homeowner shall submit a written request to the CLT. Such request shall include:

a) a written statement of the reasons for undertaking the construction;
b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
c) a list of the necessary materials, with quantities needed;
d) a statement of who will do the work;

If the CLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The CLT then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide CLT with copies of all necessary building permits, if not previously provided..

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the CLT's title to the Leased

Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home which remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify CLT of such failure. CLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by CLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS: Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. CLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER: Upon the expiration or termination of this Lease, ownership of the Home shall revert to CLT. Upon thus assuming title to the Home, CLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows:

FIRST, CLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner;

SECOND, CLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home which may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney fees incurred by the CLT.

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT's PERMISSION: **The Homeowner may mortgage the Home and the Homeowner's interest in this Lease only with the prior written and recorded permission of CLT**. Any mortgage or deed of trust permitted in writing by the CLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee.

8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, CLT gives written permission for any mortgage or deed of trust signed by the Homeowner effective on the day this Lease is signed, for the purpose of financing Homeowner's purchase of the Home and recorded in conjunction with the recording of this Lease.

8.3 HOMEOWNER MUST GET SPECIFIC WRITTEN PERMISSION FROM CLT FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform CLT, in writing, of the proposed terms and conditions of such mortgage loan at least 15 business days prior to the expected closing of the loan. The information to be provided to the CLT must include:

a. the name of the proposed lender;
b. Homeowner's reason for requesting the loan;
c. the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
d. expected closing costs;
e. the rate of interest;
f. the repayment schedule;
g. a copy of the appraisal commissioned in connection with the loan request.

CLT may also require Homeowner to submit additional information. CLT may not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 100% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the CLT as determined by the CLT in its discretion.

8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The CLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than 100% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in "Exhibit: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee," which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in "Exhibit: Permitted Mortgages, Part B, Rights of Permitted Mortgagee," which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT. Homeowner and CLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to CLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase

Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to CLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to CLT.

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Home and Leased Land.

9.2 HOMEOWNER MUST DEFEND CLT AND THE CITY AND COUNTY OF DENVER, ITS ELECTED OFFICIALS, EMPLOYEES, APPOINTEES AND VOLUNTEERS AGAINST ALL CLAIMS OF LIABILITY. Homeowner shall defend, indemnify and hold CLT and the City harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Home and Leased Land. Homeowner waives all claims against CLT and the City for injury or damage on or about the Home and Leased Land. However, CLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of CLT or CLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE CLT. In the event the CLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse the CLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, the Homeowner shall review replacement value to be insured with home insurance company every two years to determine whether replacement value should be increased, and adjust policy as needed. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance using ISO Form HO 00 03 or its equivalent in the amount of $500,000 per occurrence and in the aggregate. The CLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the CLT prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the CLT's request but not more often than once in any one-year period. CLT shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal

includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify CLT of this problem, and CLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and CLT.

If Homeowner and CLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give CLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;
SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);
THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;
FOURTH, to the CLT for any amounts owed under this Lease;
FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;
SIXTH, the balance, if any, to the CLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE. If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to CLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent

with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, CLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME. If this Lease is terminated as a result of damage, destruction or taking, CLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by CLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against CLT if such a home is not made available.

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and CLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the CLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

"Income-Qualified Person" shall mean a person or group of persons whose household income does not exceed eighty percent (**80%**) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement and a Letter

of Attorney's Acknowledgment (as described in Article 1 above) are submitted to CLT to be attached to the Lease when it is transferred to the heirs.

a) the spouse of the Homeowner; or
b) the child or children of the Homeowner; or
c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Attorney's Acknowledgment as provided above, must demonstrate to CLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT and the City in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL: No later than ten (10) days after CLT's receipt of Homeowner's Intent-to-Sell Notice, CLT shall commission a market valuation of the Leased Land and the Home (the Appraisal) to be performed by a duly licensed appraiser who is acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal, **and this cost shall be reimbursed to the CLT at the time of closing of the sale of the home.** The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. The Appraisal shall state the values contributed by the Leased Land and by the Home (consisting of improvements only) as separate amounts, and shall be conducted according to the then-current Fannie Mae guidelines for appraising Community Land Trust homes, or, if these are no longer in use, by whatever appraisal standards are then considered as standard by Grounded Solutions Network (formerly the National Community Land Trust Network) or its replacement organization. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.6 CLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, CLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If CLT elects to purchase the Home, CLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, CLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by CLT or CLT's assignee) must be completed within sixty (60) days of CLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of CLT and Homeowner.

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Agreement and Attorney's Acknowledgement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price.

10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If CLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint CLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the Home (consisting of improvements only) as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus 25% of the increase in market value of the Home, if any, calculated in the way described below.

Homeowner's Base Price: The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is $_____.

Initial Appraised Value: The parties agree that the appraised value of the Home at the time of Homeowner's purchase (the Initial Appraised Value) is $ _____, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

Increase in Market Value: The increase in market value of the Home equals the appraised value of the Home at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

Homeowner's share of Increase in Market Value: Homeowner's share of the increase in the market value of the Home equals twenty-five percent (25%) of the increase in market value as calculated above.

Summary of Formula Price: The Formula Price equals Homeowner's Base Price plus Homeowner's Share of Increase in Market Value.

Qualified Capital Improvements: Qualified Capital Improvements are improvements made by the Homeowner to the Home which were approved by the CLT in writing in accordance with the CLT's Qualified Capital Improvements Policy, as may be revised from time to time ("QCI Policy"). For purposes of calculating the Formula Price, the value of said Qualified Capital Improvements shall be determined in accordance with the QCI Policy.

Formula Price = Base Price + [.25 ([Market appraised value less value of Qualified Capital Improvements] – initial appraised value)]+ value of Qualified Capital Improvement(s).

10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE: The CLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article 10. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by the CLT. Information of each lease termination and each new lease shall be reported annually to the City.

10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE. In the event that Homeowner sells the home to a party other than the CLT (whether directly to such party or as a result of CLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include in addition to the Purchase Option Price, at the discretion of the CLT, a transfer fee to compensate the CLT for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than 3% of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER: The Homeowner is required to make necessary repairs when she voluntarily transfers the Home as follows:

a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at her sole expense a building inspector with a current Home Inspector certification from one of the Colorado Home Inspection certification organizations (or a Colorado license, if the State passes such licensing legislation)] to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the CLT within 10 days after receiving the Inspection Report.
c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.

d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the CLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a CLT-approved escrow account.
e) Homeowner shall allow CLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
f) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: RESERVED

ARTICLE 12: DEFAULT

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE CLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision

of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) TERMINATION: In the case of any of the events of default described above, CLT may terminate this Lease and initiate summary proceedings under applicable law against Homeowner, and CLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, CLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by CLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, CLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by CLT in pursuit of its remedies under this Lease.

If CLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) EXERCISE OF OPTION: In the case of any of the events of default described above, Homeowner hereby grants to the CLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, CLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(b). Not later than ninety (90) days after the CLT gives notice to the Homeowner of the CLT's intent to exercise its option under this Section 12.4(a), the CLT or its assignee shall purchase the Home for the Purchase Option Price.

12.5 WHAT HAPPENS IF CLT DEFAULTS: CLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until CLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to CLT properly specifying CLT's failure to perform any such obligation.

ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute; however, the City and County of Denver shall not arbitrate or mediate any issue.

13.2 Homeowner and CLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage. The City and County of Denver shall not be bound by any mediation or arbitration.

ARTICLE 14: GENERAL PROVISIONS

14.1 HOMEOWNER'S MEMBERSHIP IN CLT: In the event that the CLT becomes a membership organization at some future date, the Homeowner under this Lease may become a regular voting member of the CLT in accordance with and subject to the terms of the Articles of Incorporation and Bylaws of the CLT, as same may be amended from time to time.

14.2 NOTICES: Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to CLT: Elevation Community Land Trust, LLC 1114 W 7th Ave, Suite 101 Denver CO 80204

with a copy to: _____ (CLT's attorney)

If to Homeowner:_____ (name of Homeowner)

If to City: Executive Director of Housing Stability, City and County of Denver, 201 West Colfax Avenue, Dept. 615, Denver, CO 80202

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.3 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker other than _____ in connection with the purchase of the Home. If any claim is made against CLT regarding dealings with brokers other than _____, Homeowner shall defend CLT against such claim with counsel of CLT's selection and shall reimburse CLT for any loss, cost or damage which may result from such claim.

14.4 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or CLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that CLT's option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof, and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons: The youngest grandchildren of the members of the Elevation CLT Advisory Board as of the date of this Lease.

14.5 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, CLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented

bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

14.6 WAIVER: The waiver by CLT at any time of any requirement or restriction in this Lease, or the failure of CLT to take action with respect to any breach of any such requirement or restriction, shall not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Lease. CLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by CLT before being effective.

The subsequent acceptance of Lease Fee payments by CLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee so accepted, regardless of CLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee payment.

14.7 CLT'S RIGHT TO PROSECUTE OR DEFEND: CLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by CLT, Homeowner shall give CLT all reasonable aid in any such action or proceeding.

14.8 CONSTRUCTION: Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.9 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.10 PARTIES BOUND: This Lease sets forth the entire agreement between CLT and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by CLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.11 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of the state of Colorado. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against CLT or Homeowner.

14.12 RECORDING: The parties agree that this Lease shall be recorded.

14.13 REMEDIES CUMULATIVE: The remedies of CLT and Homeowner under this Lease shall be cumulative, and no one of them shall be construed as exclusive of any other or of any remedy provided by law.

14.14 TIME IS OF THE ESSENCE: Time shall be of the essence with respect to all terms of this Lease.

14.15 COMMUNITY LAND TRUST RIDER: The Community Land Trust Ground Lease rider, if attached hereto, is incorporated by reference and made a part hereof.

14.16 CITY AND COUNTY OF DENVER RIDER: The City and County of Denver, attached hereto, is incorporated by reference and made a part hereof.

IN WITNESS WHEREOF, the parties have executed this lease on the day and year first above written.

HOMEOWNER:

_____

Type name: _____

_____

Type name: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 202__, by _____, and by _____, as "Homeowner".

WITNESS my hand and official seal.

My commission expires: _____.

(SEAL)

_____
Notary Public

CLT:

ELEVATION COMMUNITY LAND TRUST LLC, a Colorado limited liability company

By: _____

Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 202__, by _____, as _____ of Elevation Community Land Trust LLC, a Colorado limited liability company, as "CLT".

WITNESS my hand and official seal.

My commission expires: _____.

(SEAL)

_____
Notary Public

Exhibit A
LETTERS OF AGREEMENT AND ATTORNEY'S ACKNOWLEDGMENT

Sample
Letter of Agreement

To _____ Elevation Community Land Trust ("the CLT")

Date: _____

This letter is given to the CLT to become an exhibit to a Lease between the CLT and me. I will be leasing a parcel of land from the CLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a "the Homeowner."

My legal counsel, _____, has explained to me the terms and conditions of the Lease and other legal documents that are part of this transaction. I understand the way these terms and conditions will affect my rights as a CLT homeowner, now and in the future.

In particular I understand and agree with the following points.

One of the goals of the CLT is to keep CLT homes affordable for lower income households from one CLT homeowner to the next. I support this goal as a CLT homeowner and as a member of the CLT.

The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to the CLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.

It is also a goal of the CLT to promote resident ownership of CLT homes. For this reason, my Lease requires that, if I and my family move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.

I understand that I can leave my home to my child or children or other members of my household and that, after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.

As a CLT homeowner and a member of the CLT, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to me and others.

Sincerely

Sample
Letter of Attorney's Acknowledgment

I, _____, have been independently employed by _____ (hereinafter "the Client") who intends to purchase a house and other improvements (the "Home") on land to be leased from Elevation Community Land Trust. The house and land are located at _____.

In connection with the contemplated purchase of the Home and the leasing of the land, I reviewed with the Client the following documents:

a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;

b) a proposed Deed conveying the Home to the Client;

c) a proposed Ground Lease conveying the "Leased Land" to the Client;

d) other written materials provided by the CLT.

The Client has received full and complete information and advice regarding this conveyance and the foregoing documents. In my review of these documents my purpose has been to reasonably inform the Client of the present and foreseeable risks and legal consequences of the contemplated transaction.

The Client is entering the aforesaid transaction in reliance on her own judgment and upon her investigation of the facts. The advice and information provided by me was an integral element of such investigation.

Name Date

Title

Firm/Address

Exhibit B
LEASED LAND

Exhibit C

Sample

Deed

Between

LOCAL LAND TRUST (Grantor), a not-for-profit corporation having its principal offices at _____, _____, _____, and

JOHN AND MARY DOE (Grantees), residing at _____,_____, _____.

Witnesseth

That Grantor, in consideration of one dollar and other good and valuable consideration paid by Grantees, does hereby grant and release unto Grantees, their heirs, or successors and assigns forever,

THE BUILDINGS AND OTHER IMPROVEMENTS ONLY, as presently erected on the Land described in Schedule "A" attached hereto and made a part hereof.

It is the intention of the parties that the real property underlying the buildings and other improvements conveyed herein remain vested in Grantor and that this warranty deed convey only such buildings and other improvements as are presently erected upon the subject Land.

In witness whereof, as authorized agent of Grantor, I hereunto set my hand this _____day of _____, A.D. 20__.

_____
signature

[notarize signature]

Exhibit D: PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Section 8.2 of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

A. OBLIGATIONS OF PERMITTED MORTGAGEE. Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.

2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify CLT of its intention to do so, and CLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.

3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give CLT written notice of such acquisition and CLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, CLT must give written notice to the Permitted Mortgagee of CLT's intent to purchase the Home within thirty (30) days following CLT's receipt of the Permitted Mortgagee's notice. CLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If CLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.

4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Permitted Mortgage.

5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering CLT or any subsequent Mortgagee of CLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.

6. The Permitted Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties

hereto that CLT's consent to such the Permitted Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. CLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

B. RIGHTS OF PERMITTED MORTGAGEE. The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by CLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

3. In the event that title to the estates of both CLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.

4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, CLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to CLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to CLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by

a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by CLT, Homeowner and the Permitted Mortgagee.

5. The CLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

6. In the event that CLT sends a notice of default under the Lease to Homeowner, CLT shall also send a notice of Homeowner's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to CLT by a written notice to CLT sent in the manner set forth in said Section 14.2 of the Lease.

7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.

8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.

C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and Homeowner.

This Agreement is made by and among:
_____ *(Mortgagee) and*
_____ *("Homeowner"),*

***Whereas**:*

a) _____*CLT (the "CLT") and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at* _____ *("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").*

b) The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.

c) The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of CLT. The Ground Lease further provides that CLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein ("the Stipulated Conditions").

***Now, therefore,** the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.*

Stipulated Conditions:

1) If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.

2) If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify CLT of its intention to do so and CLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.

3) If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the CLT written notice of such acquisition and the CLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the CLT notifies the Mortgagee in writing of the CLT's intent to make such purchase within thirty (30) days following the CLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that CLT shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the CLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;

4) Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Mortgage.

5) Nothing in the Mortgage shall be construed as rendering CLT or any subsequent holder of the CLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

6) The Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the

Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that CLT's consent to the Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7) In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.

8) Nothing in the Mortgage shall obligate CLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

By:

_____ *for Mortgagee* *Date:* _____

_____*for Homeowner/Mortgagor* *Date:* _____

Exhibit E: FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.

b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.

c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Other Exhibits to be Attached as Appropriate

Exhibit LAND *[Correct legal description of area of Leased Land and appurtenant title rights and obligations.]*

Exhibit ZONING *[Setting forth applicable zoning restrictions as of the commencement of the Lease]*

Exhibit RESTRICTIONS *[To be attached when necessary to stipulate use restrictions not included under Zoning]*

Exhibit INITIAL APPRAISAL *[To be attached if Lease contains an "appraisal-based" resale formula]*

Exhibit F

Zoning

Initial Appraisal

EXHIBIT E

RECORDING REQUESTED BY:

_____

_____

_____

WHEN RECORDED RETURN TO:

_____

_____

_____

City and County of Denver
Land Lease Rider

THIS LAND LEASE RIDER (the "Rider") is made this _____ day of _____, 20__ and is incorporated into, and shall be deemed to amend and supplement the Land Lease (herein, the "Land Lease") dated _____ by and between _____ as the Land Owner (the "Land Owner") and _____ as Home Owner (the "Home Owner").

This Rider amends the Land Lease for the purpose of securing the City of Denver's interest in maintaining the affordability of the home on land leased to Home Owner under the Lease (the "Home"). Land Owner and the Home Owner hereby covenant and agree that so long as the Loan Agreement between the Land Owner and the City and County of Denver shall be in effect, the following provisions shall apply to the Land Lease as modifications thereof:

1. All capitalized terms in this Rider shall have the same meaning as in the Land Lease, except as specifically noted.

2. The City and County of Denver (the "City), through its Department of Housing Stability ("HOST"), subsidized the construction of this Home. The City is hereby acknowledged to be a third-party beneficiary of the Land Lease and this Rider. The City may enforce the provisions of this Rider and any other provision of the Land Lease in order to protect its interests in preserving the affordability of Property.

3. This Rider shall bind the Land Owner and the Home Owner. Each Owner, upon acceptance of a deed to the Unit, shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during the Home Owner's period of ownership of the Home.

4. Pursuant to Article 10 of the Land Lease, the Land Owner shall verify the qualifications of a proposed buyer to ensure such buyer is an Income-Qualified Person. The definition of "income" to be used to determine the eligibility of a proposed buyer shall be the same as is used to calculate line 37 on IRS Form 1040.

EXHIBIT E

5. The Home shall be utilized as the permanent residence of the Home Owner. A "permanent residence" shall mean the home or place in which one's habitation is fixed and to which one, whenever he or she is absent, has a present intention of returning after a departure or absence therefrom, regardless of the duration of the absence. In determining what is a permanent residence, the following circumstances relating to the Home Owner may be taken into account: business pursuits, employment, income sources, residence for income or other tax purposes, age, marital status, residence of parents, spouse and children, if any, location of personal and real property, and motor vehicle registration. Pursuant to Article 4.4, the Home Owner may share occupancy of the Home with non-owners on a rental basis provided that the Home Owner continues to reside in the Home for at least 9 months of each year and meets the obligations contained in this Rider and in the Land Lease.

6. This Rider shall be in effect during the entire 99-year term of the Land Lease. Should the Home be sold to an Income-Qualified Person during the Affordability Period, the Income-Qualified Person shall execute CLT's letter of acknowledgement acknowledging certain information related to owning the Home and leasing the land on which the Home resides, and execute a rider in the same form as this Rider.

7. Resale of the Home during the term of the Land Lease shall take place pursuant to the maximum resale price restrictions contained in Article 10 of the Land Lease.

8. No modification to the Specific Terms, Section 9.2, or Articles 3, 4, 10, or 12 of the Land Lease shall be made without the prior written consent of the City.

9. In the event that Land Owner becomes unwilling or unable to enforce the requirements of this Rider or the Land Lease, particularly in reference to the requirements related to requirements of affordability, the City shall assume enforcement authority for the City-subsidized Homes.

By signing below, the Land Owner and the Home Owner accept and agree to the terms and conditions of this Rider.

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EXHIBIT E

IN WITNESS WHEREOF, the parties have executed this Rider on the day and year first written above.

LAND OWNER:

[INSERT NAME OF LAND OWNER]

By:_____

Title:_____

Date:_____

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____, as the _____ of _____, a _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)

EXHIBIT E

HOME OWNER(S):

_____	_____
(signature)	(signature)
_____	_____
(printed name)	(printed name)

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)

EXHIBIT F

After Recording Return to:
Elevation Community Land Trust LLC
1114 W. 7th Avenue, Suite 101
Denver, Colorado 80204

DECLARATION OF AFFORDABILITY COVENANTS WITH USE, REFINANCE, AND RESALE RESTRICTIONS AND PURCHASE OPTION

Based on Grounded Solutions Network 2021 Model Declaration

[FULL NAMES OF HOMEBUYERS], [each] an individual ([together, and] with permitted heirs, successors, and assigns the "**Homeowner**") and [ECLT ENTITY], its successors and assigns (the "**Program Manager**"), make this Declaration of Affordability Covenants with Use, Refinance, and Resale Restrictions and Purchase Option (this "**Declaration**") as of [Month Date] 20[Year] (the "**Effective Date**"), for the purpose of encumbering the improved real estate described on attached Exhibit A (the "**Home**"), having an address of [Street Address, City, State, Zip Code].

RECITALS

A. The Program Manager is a [Colorado limited liability company] created to assist with providing homeownership opportunities for low and moderate income people.

B. The Program Manager operates a program to preserve affordable homeownership opportunities through the stewardship of homes whose owners, at the time of purchase, have agreed to accept title subject to certain covenants, conditions, and restrictions in exchange for a reduced or subsidized purchase price (the "**Program**").

C. The purpose of this Declaration is to include the Home in the Program. Consistent with the Program, the Declaration includes terms that affect the use and resale price of the Home and are designed to ensure that the Home continues to be affordable to low- and moderate-income households over an extended period of time and through a succession of owners and that limit the proceeds the Homeowner may receive from the Home.

D. The Homeowner wishes to purchase the Home for the reduced or subsidized purchase price as described below, and the reduced or subsidized purchase price is available only if the Homeowner accepts title to the Home subject to this Declaration.

ARTICLE I.
SUBMISSION OF REAL ESTATE; DEFINED TERMS

Section 1.01 Submission of Real Estate. By signing this Declaration, the Homeowner submits the Home to the covenants, conditions, and restrictions of this Declaration for the benefit of the Program Manager. The Program Manager, together with any agent the Program Manager may appoint from time to time, will have the right to enforce this Declaration.

Section 1.02 Consideration; Value Given and Value Received. The Homeowner recognizes that the Initial Market Value of the Home is $_____, but the Homeowner is able to purchase the Home at the lower Base Price of $_____, due to the reduction in purchase price or subsidy provided by [the Program Manager] [IF NOT PROGRAM MANAGER OR DEVELOPER, IDENTIFY SOURCE OF (OR REASON FOR) SUBSIDY OR PRICE REDUCTION]. The Homeowner may obtain the purchase price reduction or subsidy only if the Homeowner submits the Home to this Declaration, and the Homeowner wishes to submit the Home to the Declaration, and agree to its terms, in exchange for this benefit.

Section 1.03 Any Excess Proceeds of Transfer Go to Program Manager.

(a) The Homeowner recognizes that it would be contrary to the purposes of this Declaration if the Homeowner could receive more than the Maximum Resale Price as the result of an eminent domain proceeding, foreclosure, or other transfer of the Home. It would also be contrary to the purposes of this Declaration if the Homeowner could receive financial benefit by violating Section 2.03. Therefore, the Homeowner hereby irrevocably assigns to Program Manager all net proceeds of sale, eminent domain proceeding, foreclosure, lease, refinancing, or other transfer of the Home that would otherwise have been payable to the Homeowner after satisfaction of all Permitted Mortgages, if applicable, and that exceed the amount of proceeds that the Homeowner would have received if the property had been sold only for the Maximum Resale Price, leased only in accordance with Section 8.02, refinanced only in accordance with Article VII, or used only in accordance with Section 2.03 ("**Excess Proceeds**"). The payment of any Excess Proceeds shall be secured by the Program Mortgage. For the avoidance of doubt, the Homeowner authorizes and instructs any party conducting any sale or eminent domain proceeding, foreclosure, refinancing, or other transfer, to pay such Excess Proceeds directly to Program Manager. If, for any other reason, Excess Proceeds are paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to Program Manager.

(b) In addition to the lien of the Program Mortgage, the Program Manager shall have, and the Homeowner hereby grants and consents to, a lien upon the Home for any Excess Proceeds. Such lien shall be prior to all other liens and encumbrances on the Home except (i) liens and encumbrances recorded before the recording of this Declaration, (ii) Permitted Mortgages; and (iii) liens for real property taxes and other governmental assessments or charges against the Home. For the avoidance of doubt, Homeowner's assignment to Program Manager of Excess Proceeds in Section 1.03(a), and the Program Manager's right to enforce collection of Excess Proceeds through foreclosure of its lien under the Program Mortgage and this Section 1.03(b), shall be subordinate in all respects to the lien of any Permitted Mortgagee under a Permitted Mortgage.

Section 1.04 Term of Declaration is 99 Years.

(a) This Declaration shall remain in effect for 99 years after the Effective Date (the "**Term**"), unless terminated earlier by any of the following methods: (i) recordation of a new Declaration upon transfer of the Home to an Eligible Buyer in accordance with Section 8.08; or (ii) foreclosure of a Permitted Mortgage and expiration of the Program Manager's Purchase Option under Section 7.

(b) Upon expiration of the full Term, the Homeowner shall have the option either to (i) record an amendment to this Declaration encumbering the Home for a second 99-year term; or (ii) pay to the Program Manager the Excess Proceeds that would be received by the Homeowner if the Homeowner, upon expiration of the Term, were to sell

the Home unencumbered by this Declaration to a third party in a bona fide arm's length transaction. If the Homeowner does not elect option (i) by recording an amendment before expiration of the Term, the Homeowner will be deemed to have elected option (ii). Excess Proceeds will be calculated and paid under option (ii) as follows:

A. The Program Manager, at its sole cost and expense, will obtain an Appraisal of the Home;

B. The Program Manager will calculate the Maximum Resale Price as described in Article VIII;

C. The Program Manager will calculate Excess Proceeds by subtracting the Maximum Resale Price from the fair market value of the Home, as determined by the Appraisal; and

(i) If the calculation in subparagraph (C) results in a negative number (in other words, if the Maximum Resale Price is higher than the fair market value), the Homeowner will not owe any Excess Proceeds, and the Program Manager shall promptly record a release of this Declaration; or

(ii) If the calculation in subparagraph (C) results in a positive number (in other words, if the Maximum Resale Price is lower than the fair market value), the Homeowner shall pay the Excess Proceeds to the Program Manager within 90 days after receiving the Program Manager's calculation, and the Program Manager shall then promptly record a release of this Declaration.

Section 1.05 Covenants to Run with the Land. The Homeowner intends, declares, and covenants (a) that this Declaration, including all restrictions, rights and covenants contained herein, shall be and are covenants running with the land, encumbering the Home for the Term, and are binding upon the Homeowner and the Homeowner's successors in title and assigns, (b) are not merely personal covenants of the Homeowner, and (c) shall inure to the benefit of and be enforceable by the Program Manager and their successors and assigns, for the Term. Because the Declaration runs with the land, it shall encumber the Home for the Term and be binding upon the Homeowner's successors in title and assigns regardless of whether such successors in title and assigns agree in writing to be bound by the Declaration or execute a new Declaration at the time of resale, as provided in Article VIII.

Section 1.06 Defined Terms. Homeowner and Program Manager agree on the following definitions of key terms used in this Declaration.

(a) "**Appraisal**": A fair market valuation of the Home performed by a duly licensed appraiser, conducted by analysis and comparison of comparable properties, disregarding all of the restrictions of this Declaration.

(b) "**Base Price**": The total price paid for the Home by the Homeowner, as set forth in Section 1.01.

(c) "**Eligible Buyer**": A person or group of persons (i) whose household income does not exceed 80% of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development ("**HUD**") or any successor (the "**AMI Eligibility Threshold**"), (ii) who has completed a certified homeownership counseling program approved by the Program Manager if then-required by Program Manager.

(d) "**Event of Default**": Any violation of the terms of this Declaration or the Program Mortgage unless the violation has been corrected ("**cured**") by the Homeowner or the holder of a Mortgage in the period of time specified in a written Notice of Default has been given by the Program Manager

(e) **[INTENTIONALLY OMITTED]**

(f) "**Ineligible Buyer**": A person or group of persons, or a person and his or her spouse, not meeting the requirements to be eligible as an Eligible Buyer.

(g) "**Initial Market Value**": The fair market value of the Home, assuming no affordability or resale restrictions, at the time of Homeowner's purchase, as set forth in Section 1.01 and documented by the appraiser's report conducted by [_____] with an effective date of _____, 20____].

(h) "**Intent-to-Sell Notice**": Homeowner's notification to the Program Manager that the Homeowner wishes to sell the Home.

(i) "**Maximum Resale Price**": The maximum price for which the Homeowner can sell the Home, as calculated under Article VIII of this Declaration.

(j) "**Permitted Mortgage**": A loan secured by a lien or security interest in the Home, for which the Homeowner has obtained the written permission of the Program Manager pursuant to Section 7.01, together with any modifications, which may be made from time to time, by agreement between the Homeowner and the Permitted Mortgagee.

(k) "**Permitted Mortgagee**": The lender shown on the security instrument securing a Permitted Mortgage, its assignees and the owner of such Permitted Mortgage.

(l) "**Program Fee**": The monthly fee provided in Section 4.01 that the Homeowner pays to the Program Manager to fund a portion of the Program Manager's ongoing costs of administering the Program and performing its obligations under Article III (Role of Program Manager) below.

(m) **Purchase Option**": As described more fully in Article VIII, Program Manager's option to purchase the Home at the Maximum Resale Price, which is triggered by (i) Program Manager's receipt of an Intent-to-Sell Notice from Homeowner, (ii) Program Manager's receipt of notice of a Foreclosure Action under Article VII, (iii) any sale or transfer resulting from a Foreclosure Action under Article VII, and/or (iv) an Event of Default under Article IX (any of the foregoing, an "**Option Trigger Event**").

(n) "**Resale Fee**": The fee that the Homeowner pays to the Program Manager upon resale of the Home to compensate the Program Manager for performing certain of its obligations under Article VIII (Transfer of the Home) below.

(o) "**Program Mortgage**": The mortgage or deed of trust executed by the Homeowner in favor of the Program Manager, dated and recorded the same date as this Declaration, for purposes of securing the Homeowner's monetary and non-monetary obligations under this Declaration, including without limitation Excess Proceeds and Program Fees.

ARTICLE II.
USE OF HOME

Section 2.01 Homeowner Must Use Home as Primary Residence. The Homeowner must use the Home as Homeowner's principal place of residence and must occupy the Home for at least 9 months of each year. The Homeowner may use the Home, and allow others to use the Home, only for residential purposes and any activities related to residential use that are permitted by local zoning law.

Section 2.02 Homeowner Must Use and Maintain the Home Responsibly and in Compliance with the Law and Other Recorded Documents. The Homeowner must use the Home in a way that will not cause harm to others or create any public nuisance, and must maintain all parts of the Home in good working order, in a safe, sound and habitable condition, and in full compliance with all laws and regulations. Homeowner shall comply, and cause the Home and all occupants to comply, with all declarations, easements, Permitted Mortgages (defined in Article VII (Financing)), and other documentation recorded against the Home in the local real estate records. If the requirements of any recorded documents are inconsistent with the requirements of this Declaration, the Homeowner shall comply, and shall cause the Home and all occupants to comply, with the stricter requirement.

Section 2.03 Home May Not be Leased, Encumbered, Sold, or Transferred Except as Provided in Articles VII and VIII. No interest in the Home, including without limitation a fee simple interest, tenancy in common, joint tenancy, community property, tenancy by the entireties, life estate, limited estate, leasehold estate, tenancy, easement, mortgage, deed, lien, security interest, or other encumbrance, whether voluntary or involuntary, may be granted, sold, assigned, conveyed, or transferred except in accordance with Articles VII and VIII of this Declaration.

ARTICLE III.
ROLE OF PROGRAM MANAGER

Section 3.01 Program Manager Has a Right to Conduct Annual Meetings with the Homeowner. The Program Manager may conduct annual meetings with the Homeowner in the offices of the Program Manager or in the Home or some other mutually convenient location (or via mutually convenient electronic means) for purposes of obtaining occupancy certifications,

confirming insurance renewals, collecting proof that taxes and assessments have been paid, and addressing any other Program requirements. The Homeowner will cooperate with the Program Manager in scheduling and attending these meetings and will provide Program Manager with the requested information. The Program Manager may opt to request such information from the Homeowner by phone, mail, email, or some other method instead of conducting an in-person (or electronically facilitated) meeting, and the Homeowner will then promptly provide the Program Manager with the requested information using the alternative method.

Section 3.02 Program Manager Has a Right to Inspect the Home. The Program Manager or its agent may inspect any exterior part of the Home on an annual basis at any reasonable time, after notifying the Homeowner at least one day before the planned inspection. In addition, if the Program Manager has received an Intent-to-Sell Notice (as described in Article VIII below), then the Program Manager or its agent has the right to inspect the interior and exterior of the Home to determine its condition prior to the sale. Program Manager must notify the Homeowner at least one day before carrying out such inspection. In either case (an annual inspection or an inspection after an Intent-to-Sell Notice), the Homeowner will cooperate with the Program Manager's efforts to schedule and conduct the inspection, and if negative property conditions are identified, the Program Manager or its agent has the right to re-inspect until they are resolved.

Section 3.03 Program Manager May Escrow for Taxes, Assessments, and/or Insurance. Whenever a Permitted Mortgagee declines to escrow funds from the Homeowner for the payment of taxes and assessments under Article IV and for the payment of insurance under Article VI, the Program Manager may elect to escrow such amounts and the Homeowner shall cooperate with the Program Manager in setting up such an escrow.

Section 3.04 Program Manager Will Review Proposed Capital Improvements. If the Homeowner wishes to make Capital Improvements to the Home, the Program Manager will work with the Homeowner as provided in Article V.

Section 3.05 Program Manager Will Facilitate Proposed Financings or Transfers. If the Homeowner wishes to finance or otherwise transfer the Home, the Program Manager will work with the Homeowner as provided in Article VII or VIII, as applicable.

Section 3.06 Program Manager's Successors and Assigns. The Program Manager may from time to time designate a successor or assign to its rights and obligations under this Declaration, provided that such successor or assign is a governmental body, governmental agency, or non-profit entity with a charitable purpose consistent with the Program. For clarity, the Program Manager may contract with a for-profit person or entity to assist Program Manager in running the Program, but the Program Manager itself shall not be a for-profit person or entity.

Section 3.07 Nonliability of Program Manager for Negligence, Loss or Damage. The Homeowner acknowledges that Program Manager has neither made, nor shall it be responsible for, any warranties of any kind regarding the Home, whether express or implied, including those of workmanlike construction, merchantability, fitness for a particular purpose, or otherwise, and Homeowners waives all claims related thereto, including, but not limited to, all claims related to the design and/or construction of the Home. The Homeowner understands and agrees that the relationship between Homeowner and Program Manager is solely that of a homeowner and a program administrator, and that the Program Manager has no responsibility or duty to the Homeowner to select, review, inspect, supervise, pass judgment on, or inform the Homeowner of

the quality, adequacy, or suitability of the Home or any other matter. The Program Manager does not owe a duty of care to protect the Homeowner against negligent, faulty, inadequate, or defective building or construction or any condition of the Home; instead the Homeowner has made his or her own investigation of these matters and hired home inspectors and other professionals to assist this investigation, to the extent the Homeowner deemed necessary. Homeowner agrees that neither Homeowner nor Homeowner's heirs, successors or assigns shall ever claim, have, or assert any right or action against the Program Manager for any loss, damage, or other matter arising out of or resulting from any condition of the Home and will hold the Program Manager harmless from any liability, loss, or damage for these things. The Homeowner acknowledges that Program Manager is a bona fide charitable organization that is in compliance with the registration and reporting requirements of C.R.S. §6-16-101 et. seq. and therefore is exempted from the provisions of Colorado's Homeowner Protection Act of 2007 such that Program Manager may require Homeowner to waive certain legal rights, remedies and damages.

ARTICLE IV.

DECLARATION FEES; TAXES AND ASSESSMENTS

Section 4.01 Program Fee and Resale Fee. To compensate the Program Manager for performing its obligations under this Declaration, the Homeowner shall pay to the Program Manager (a) a monthly Program Fee of $[ ]; (b) INTENTIONALLY DELETED; and (c) upon a resale of the Home, a Resale Fee as provided in Section 8.05. The Program Fee shall be payable to the Program Manager on the first day of each month, unless the Program Fee is to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Permitted Mortgagee. For the avoidance of doubt, Homeowner's obligation to pay Program Manager any amounts under this Declaration, including the Fees provided in this Article IV, shall be subordinate in all respects to any Permitted Mortgagee's right to receive payment of all amounts secured by a Permitted Mortgage. The Homeowner and the Program Manager agree that they will execute such other and further documents as are useful for a Permitted Mortgagee to prioritize payment of the amounts owed to it and they will not execute any document that contradicts such priority.]

Section 4.02 INTENTIONALLY DELETED

Section 4.03 Fees May Be Adjusted From Time To Time. In its sole discretion, the Program Manager may reduce or suspend the total amount of the Program Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension of the Program Fee must be in writing and signed by the Program Manager. Any such reduction or suspension of the Program Fee is in the sole discretion of the Program Manager and shall not require any other reduction or suspension.

Section 4.04 Homeowner Is Responsible for Paying all Taxes and Assessments. Homeowner shall pay directly, when due, all taxes, governmental and homeowner association assessments that relate to the Home, unless such taxes and assessments are to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Permitted Mortgagee

Section 4.05 If Homeowner Fails to Pay Taxes, Program Manager may Pay Taxes. If the Homeowner or its Permitted Mortgagee fails to pay the taxes or assessments described in Section 4.04 above, the Program Manager shall have the right to pay such taxes or assessments on the Homeowner's behalf from time to time at the sole and absolute discretion of the Program Manager. Homeowner shall reimburse the Program Manager for any amounts paid by the Program Manager to cover such taxes or assessments promptly upon demand by the Program Manager.

Section 4.06 If Payment Is Late, Interest Can Be Charged. If the Program Manager has not received any amounts due under this Declaration on or before the required date (the "**Due Date**"), the Program Manager may require the Homeowner to pay a late fee of $10.00 per month from the Due Date through and including the date of such payment or installment is received by Program Manager or the maximum amount permitted by law, whichever is less. Such amounts shall be deemed additional Program Fee and shall be paid by the Homeowner to the Program Manager upon demand.

Section 4.07 Program Manager Can Collect Unpaid Amounts When Home Is Sold. In the event that any amounts due under this Declaration remain unpaid when the Home is sold, including without limitation amounts due to Program Manager under this Article IV and any enforcement fees under Section 9.04(e), the outstanding amount, including any interest (the "**Unpaid Amounts**"), shall be paid to the Program Manager out of any proceeds from the sale that would otherwise be due to the Homeowner, and the payment of any Unpaid Amounts shall be secured by the Program Mortgage. Any amounts paid pursuant to this Section may be paid to the Program Manager only after amounts owed under the Permitted Mortgage have been disbursed to the Permitted Mortgagee. In addition to the lien of the Program Mortgage, the Program Manager shall have, and the Homeowner hereby grants and consents to, a lien upon the Home for such Unpaid Amounts. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Declaration, (b) Permitted Mortgages; (c) liens for real property taxes and other governmental assessments or charges against the Home; and (d) the lien for Excess Proceeds under Section 1.03. For the avoidance of doubt, the Program Manager's right to enforce collection of Unpaid Amounts through foreclosure of its lien under the Program Mortgage and this Section 4.07 shall be subordinate in all respects to the lien of any Permitted Mortgagee under a Permitted Mortgage.

ARTICLE V.

IMPROVEMENTS TO THE HOME

Section 5.01 Homeowner's Ability to Improve the Home is Limited. The Homeowner shall not make any Capital Improvements to the Home without the prior written consent of the Program Manager, which consent may be withheld in the Program Manager's sole and absolute discretion. The term "**Capital Improvements**" means any improvements identified from time to time in Program Manager's Qualified Capital Improvements Policy, as it may be amended from time to time. The Homeowner may make other improvements to the Home without the consent of the Program Manager as long as such improvements are constructed in a professional manner and comply with Section 5.04 below and all applicable laws and regulations. This Section 5.01 does not apply in the event the Home is damaged or destroyed following a fire or other casualty, as described in Section 6.02.

Section 5.02 Requests for Consent from Program Manager. For any proposed Capital Improvements, the Homeowner shall submit a written request to the Program Manager including the following information:

(a) a written statement of the reasons for undertaking the construction;

(b) upon request by the Program Manager, a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;

(c) a list of the necessary materials, with quantities needed;

(d) a statement of who will do the work; and

(e) if the Homeowner would like to receive a monetary credit for the Value Added by Capital Improvements, as determined subsequently by appraisal at the time of resale of the Home (see Article VIII) (a "**Capital Improvements Credit**"), a statement requesting the Program Manager to consider permitting such a credit. A Capital Improvements Credit will only be granted for Capital Improvements approved in writing in accordance with Program Manager's Qualified Capital Improvements Policy.

Prior to granting or withholding consent, the Program Manager may request additional information from the Homeowner within three weeks of receipt of the Homeowner's request. The Program Manager shall inform the Homeowner of its decision to grant or withhold consent to construction of the proposed Capital Improvements, as well as its decision to grant or withhold consent to any requested Capital Improvements Credit, within 45 days after receipt of all information from the Homeowner. If the Program Manager consents to a requested Capital Improvements Credit, the Program Manager shall also inform the Homeowner of the value to be ascribed to the Capital Improvements or the method to be employed to determine such value at resale, including application of depreciation rates, which may result in a Capital Improvements Credit less than the actual cost of the Capital Improvements.

Section 5.03 Building Permits; Right to Inspect. Prior to the commencement of construction of any Capital Improvements, the Homeowner shall provide the Program Manager with copies of all necessary building permits, if not previously provided. The Program Manager shall have the right to inspect the Capital Improvements while under construction and after completion to confirm consistency with the information presented in Section 5.02 and with this Article V, and may adjust the Capital Improvements Credit to account for any identified inconsistency. Any inspection and identification of inconsistencies by the Program Manager shall be for the benefit of the Program Manager only; the Homeowner will conduct his or her own inspections to confirm all work performed is satisfactory to the Homeowner.

Section 5.04 Homeowner May Not Allow Statutory Liens to Remain Against Home. The Homeowner shall not permit any statutory or similar lien to be filed against the Home which remains more than 30 days after it has been filed. The Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If the Homeowner fails to discharge such lien within the 30-day period, then the Homeowner shall immediately notify the Program Manager of such failure. The Program Manager shall have the right to discharge the lien by paying the amount in question. The Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided the Homeowner

has furnished a bond or other acceptable surety in an amount sufficient to release the Home from such lien. Any amounts paid by the Program Manager to discharge such liens shall be reimbursed by the Homeowner upon demand of the Program Manager.

ARTICLE VI.

INSURANCE, DAMAGE OR DESTRUCTION, TAKING FOR PUBLIC USE

Section 6.01 Homeowner Must Insure the Home Against Loss. The Homeowner shall, at the Homeowner's expense, keep the Home continuously insured against accidental direct physical loss with a coverage limit equal to the estimated full replacement cost of the Home, that is, the amount necessary to rebuild the Home as opposed to the Home's market value, to the extent such insurance is not carried by an applicable homeowners association. The insurance policy must satisfy all requirements of the Program Mortgage and any other Mortgage of record, and certificates of insurance shall be delivered to Program Manager prior to the purchase of the Home and upon request thereafter. Whenever the Permitted Mortgagee has the capability of escrowing funds from the Homeowner for the payment of insurance premiums, the Homeowner shall establish such an escrow.

Section 6.02 What Happens if Home Is Damaged or Destroyed. In the event of fire or other damage to the Home, the Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the damaged Home does not constitute a danger to persons or property. For clarity, the obligations of the Homeowner to repair and restore the Home are the same in a case of insufficient insurance proceeds as in a case of excess insurance proceeds; in either case the Homeowner must still repair and restore the Home, obtaining additional funds (in the case of insufficient insurance proceeds) or, if permitted by the terms of the policy and the terms of any Permitted Mortgage, retaining excess funds (in the case of excess insurance proceeds). In a case where repair and restoration are not feasible (for example, in the case of sinkhole or other condition that materially adversely impacts and precludes restoration of the structure of the Home), the Homeowner shall provide reasonably acceptable documentation of such circumstance to Program Manager, and in such case shall be excused from repairing and restoring the Home, provided that the Homeowner uses available insurance proceeds to pay off any Permitted Mortgage and any other lien on the Home. In any event, if the terms of a Permitted Mortgage conflict with this Section 6.02, the terms of the Permitted Mortgage shall govern and control. The provisions of this paragraph are subject to the mandatory requirements of any applicable homeowners association governing documents and applicable Colorado law.

Section 6.03 What Happens if Some or All of the Home Is Taken for Public Use.

(a) If all of the Home is taken by eminent domain or otherwise for public purposes, or if so much of the Home is taken that the Home is lost or damaged beyond repair, this Declaration shall terminate as of the date when Homeowner is required to give up possession of the Home, provided, however, that any Excess Proceeds (defined in Article VIII) arising from eminent domain or other public use proceedings shall be paid to Program Manager.

(b) In the event of a taking of a portion of the Home that results in damage to the Home that can reasonably be restored to a residential use consistent with this Declaration, then

this Declaration shall remain in full force and effect and the damage shall be treated as damage is treated in Section 6.02 above.

(c) The provisions of this Section 6.03 are subject to the mandatory requirements of any applicable homeowners association governing documents and applicable Colorado law.

ARTICLE VII.

FINANCING

Section 7.01 Homeowner Cannot Mortgage the Home Without Program Manager's Permission.

(a) The Homeowner may only grant a lien or security interest, including a mortgage or deed of trust (either at the time of purchase of the Home or subsequent to the purchase of the Home to refinance an existing Permitted Mortgage or to finance home repairs or to facilitate a Home Equity Line of Credit ("HELOC") or for any other purpose), on the Home or encumber the Home in any other way after first obtaining the written permission of the Program Manager. Any Permitted Mortgage or other lien, security interest, or other encumbrance shall be subject to the terms of this Declaration, including without limitation this Article VII and Section 7.04 below.

(b) The Program Manager will not permit such a loan if the loan increases the Homeowner's total mortgage debt to an amount greater than 100% of the then current Maximum Resale Price, calculated in accordance with Article VIII below, or if any Permitted Mortgagee has not provided written consent to the loan, or if the terms of the transaction otherwise adversely affect the interests of either the Homeowner, Permitted Mortgagee, or Program Manager..

(c) The Program Manager may require the Homeowner to submit, in writing, certain information about the proposed terms and conditions of such loan at least 30 days prior to the expected closing of the loan.

Section 7.02 By Signing Declaration, Program Manager Gives Permission for Original Mortgage. By signing this Declaration, the Program Manager gives written permission for the first [and second] priority mortgage or deed of trust signed by the Homeowner and financing the Homeowner's purchase of the Home. The Program Manager also hereby gives written permission for any assignee of a Permitted Mortgage to be a Permitted Mortgagee at any time it purchases a Permitted Mortgage.

Section 7.03 Property Assessed Clean Energy.

Property Assessed Clean Energy ("**PACE**") financing in connection with the Home is prohibited.

Section 7.04 Survival of Declaration Upon Exercise of Remedies by Mortgagees.

(a) If the holder of any mortgage, deed of trust, or other encumbrance on the Home (each, a "**Mortgagee**") conducts a foreclosure sale, accepts a deed in lieu of foreclosure, or exercises any other right or remedy that results in the Homeowner no longer having title to the

Home (any such right or remedy, a "**Foreclosure Action**"), this Declaration shall run with the land pursuant to Section 1.03 above and shall continue to encumber the Home as follows:

(i) With respect to any Mortgagee who is also a Permitted Mortgagee, this Declaration shall survive until expiration of the Program Manager's Purchase Option under Section 8.06 below, specifically 60 days to exercise the Purchase Option and 90 days to complete the purchase. If the Program Manager exercises the Purchase Option, completes purchase of the Home, and satisfies the amounts owed under the Permitted Mortgage, this Declaration shall continue in full force and effect. If the Program Manager fails to exercise the Purchase Option, or exercises the Purchase Option but fails to complete the purchase within the 90-day period allowed by Section 8.06, or fails to satisfy the amounts owed under the Permitted Mortgage, then this Declaration shall terminate and be of no further force and effect, and the Program Manager shall cooperate with the Permitted Mortgagee or transferee at the Foreclosure Action to record a termination and release.

(ii) With respect to any Mortgagee who is not a Permitted Mortgagee, Article VIII and all other provisions of this Declaration shall apply to the transfer of the Home resulting from the Foreclosure Action, and Article VIII and all other provisions of this Declaration shall continue to encumber the Home and shall be binding on the grantee receiving an interest in the Home by virtue of the Foreclosure Action and on all subsequent owners of any interest in the Home.

(b) The Homeowner expressly authorizes any Mortgagee to provide Program Manager with any information requested by Program Manager with respect to the obligations secured by a mortgage, deed of trust, or other security instrument encumbering the Home, including without limitation, the original or maximum principal amount of the loan, the interest rate and other terms governing repayment, payment history, including any history of delinquent payments, current payments of principal, interest, and late fees due or delinquent, and the amount of total obligations currently secured by the Mortgage.

(c) The Homeowner understands and agrees that nothing in this Declaration (i) in any way constitutes a promise or guarantee by the Program Manager that the Mortgagee shall actually receive the Maximum Resale Price for the Home or any other price for the Home, or (ii) impairs the rights and remedies of the Mortgagee in the event of a deficiency.

ARTICLE VIII.

TRANSFER OF THE HOME

Section 8.01 Homeowner May Transfer Home Only in Strict Compliance with Article VIII; Other Transfers Null and Void. Homeowner may transfer the Home only as explicitly permitted by the provisions of this Article VIII (and, in the event of a Foreclosure Action, Section 7.04). Any purported transfer that does not strictly follow the procedures set forth below (or, in the event of a Foreclosure Action, the procedures of Section 7.04), shall be null and void.

Section 8.02 Home May Only be Leased if Permitted in Writing by Program Manager. Homeowner shall not lease or rent any portion of the Home, except as allowed under the terms of any Permitted Mortgage and with the written permission of Program Manager. Homeowner agrees that Program Manager shall have the right to withhold such consent in order to further the purposes of this Declaration. If permission for leasing is granted, (a) the lease shall be in writing with a proposed form provided to Program Manager for approval in advance and a term no shorter than 6 months (provided, however, rentals of the entire Home shall be limited to a maximum of 3 months and may only occur a maximum of one time per calendar year), (b) the lease shall be subject to all of the terms of this Declaration, (c) the tenant must satisfy current income requirements for Eligible Buyers, (d) the rent for a rental of the entire Home shall be no greater than the amount needed to cover Homeowner's obligations to any Permitted Mortgagee and payment of taxes, assessments, and insurance under Articles IV and VI above (rentals for portions of the Home shall not exceed 50% of the amount needed to cover Homeowner's obligations to any Permitted Mortgagee and payment of taxes, assessments, and insurance under Articles IV and VI above), (e) a fully executed copy of the lease shall be provided to Program Manager promptly after execution, and (f) no lease shall be for more than one-half of the occupancy permitted by applicable zoning laws without the permission of Program Manager which permission may be withheld in its sole discretion.

Section 8.03 INTENTIONALLY DELETED

Section 8.04 Home May be Transferred to Certain Heirs of Homeowner.

(a) If the Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of the Homeowner's estate shall notify the Program Manager within 90 days after the date of the death. Upon receiving such notice the Program Manager shall consent to a transfer of the Home to one or more of the possible heirs of Homeowner listed below as (i), (ii), or (iii):

(i) the spouse of the Homeowner; or

(ii) the child or children of the Homeowner; or

(iii) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

(b) Any other heirs, legatees or devisees of the Homeowner, in addition to submitting the Homeowner's Letter of Acknowledgment as described in Article VIII below, must demonstrate to Program Manager's satisfaction that they are an Eligible Buyer. If they cannot demonstrate that they are an Eligible Buyer, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article VIII.

(c) Before proceeding with a transfer under this Section 8.04, the executor or personal representative shall give the Program Manager at least 30 days prior written notice, shall promptly provide the Program Manager with related documentation requested by the Program Manager, and shall obtain the Program Manager's written confirmation that the transfer qualifies as a permitted transfer under subsection (a) or (b).

(d) Any transferee permitted under this Section 8.04 shall take title subject to all the terms and conditions of this Declaration, and shall execute and record such documents as the Program Manager may require and/or approve.

Section 8.05 Home May be Transferred to Certain Buyers. In the event that the Homeowner wishes to sell the Home, the Homeowner shall notify the Program Manager in writing of such wish (the "**Intent-to-Sell Notice**") at least 45 days before the Homeowner would like to begin to market the Home, and the Program Manager and the Homeowner shall proceed as follows:

(a) Appraisal. No later than 10 days after the Program Manager's receipt of an Intent-to-Sell Notice, the Program Manager shall commission an Appraisal, with copies to be provided to both Program Manager and Homeowner. Program Manager shall pay the cost of such Appraisal, and this cost shall be reimbursed to Program Manager at the time of the closing of the sale of the Home. The Appraisal shall be conducted by analysis and comparison of comparable properties, disregarding all of the restrictions of this Declaration on the use, occupancy and transfer of the Home. Copies of the Appraisal are to be provided to both Program Manager and the Homeowner.

(b) Intent-to-Sell Notice Triggers Purchase Option in favor of the Program Manager or its Assignee. As detailed in Section 8.06, Program Manager's receipt of the Intent-to-Sell Notice triggers a Purchase Option in favor of the Program Manager or its assignee. Please see Section 8.06 for the Purchase Option process to be followed upon issuance of the Intent-to-Sell Notice.

(c) If Purchase Option Expires, Homeowner may Sell on Certain Terms. If the 60-day Purchase Option has expired or if the Program Manager or its assignee has failed to complete the purchase within the 90-day period allowed by Section 8.06, the Homeowner may sell the Home to any Eligible Buyer for not more than the then applicable Maximum Resale Price, as calculated under Section 8.07. Further:

(i)Resale Fee to be Paid at Transfer. The price to be paid by the buyer shall include, in addition to the purchase price, a Resale Fee to compensate Program Manager for carrying out its responsibilities with regard to the transaction. The amount of the resale fee shall be 3% of the Maximum Resale Price.

(ii) INTENTIONALLY DELETED

(iii) Program Manager Shall Have Power of Attorney to Sell Home as Attorney in Fact for Homeowner in Certain Circumstances. If the Homeowner (a) is not then residing in the Home and (b) has made diligent efforts to sell the Home for at least twelve months after the expiration of the Purchase Option and the Home still has not been sold, the Homeowner does hereby appoint Program Manager as its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Declaration, sell the Home, use the proceeds of sale first to satisfy Permitted Mortgages in order of priority, second to pay the Program Manager's costs of sale and any other sums owed the Program Manager by the Homeowner, and third to pay Homeowner the remaining proceeds of sale, minus amounts owed to any other secured lien holders.

Section 8.06 Program Manager Has an Option To Purchase the Home.

(a) Upon (i) Program Manager's receipt of an Intent-to-Sell Notice from Homeowner, (ii) Program Manager's receipt of notice of a Foreclosure Action under Article VII, (iii) any sale or transfer resulting from a Foreclosure Action under Article VII, and/or (iv) an Event of Default under Article IX (any of the foregoing, an "**Option Trigger Event**"), the Program Manager shall have the option to purchase the Home at the Maximum Resale Price, or in the case of a Foreclosure Action where the total obligations secured by the Permitted Mortgage exceed the Maximum Resale Price, the amount of such total obligations under the Permitted Mortgage (the "**Purchase Option**"). For purposes of subparagraph (iii), (A) the amount of total obligations owed to the Permitted Mortgagee shall be calculated as of the date the sale to the Program Manager closes, and (B) no Option Trigger Event occurring after a sale or transfer resulting from a Foreclosure Action shall trigger an additional Purchase Option (rather, the Program Manager shall be limited to the single Purchase Option initially triggered by the sale or transfer resulting from the Foreclosure Action). The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Eligible Buyers while taking fair account of the investment by the Homeowner.

(b) If the Program Manager elects to purchase the Home, the Program Manager shall exercise the Purchase Option by notifying the current Homeowner and any Permitted Mortgagee in writing of such election (the "**Notice of Exercise of Option**") within 60 days after the Option Trigger Event, or the Option shall expire. Having given such notice, the Program Manager may either proceed to purchase the Home directly or may assign the Purchase Option to an Eligible Buyer.

(c) The purchase (by Program Manager or Program Manager's assignee) must be completed within 90 days after the Program Manager's Notice of Exercise of Option, or the Purchase Option shall be of no further force and effect with respect to such Option Trigger Event. Except as provided in Section 7.04 to the contrary and except in the case of a Foreclosure Action, the Purchase Option shall remain in effect with respect to Option Trigger Events occurring after the subject Option Trigger Event. The time permitted for the completion of the purchase may be extended by mutual agreement of the Program Manager or it's assignee and the Homeowner and, if applicable, the Mortgagee undertaking the Foreclosure Action.

Section 8.07 Calculation of Maximum Resale Price. Except as specifically permitted in a Foreclosure Action under Section 8.06(a)(iii), so long as this Declaration remains in effect, in no event may the Home be sold for a price that exceeds the Maximum Resale Price. The "**Maximum Resale Price"** shall be equal to the lesser of (a) the value of the Home as determined by the Appraisal commissioned and conducted as provided in Section 8.05 above or (b) the price equal to the Base Price, plus 25% of the Increase in Market Value of the Home, if any, plus the value of the Capital Improvements Credit.

The "**Increase in Market Value of the Home**" is the fair market value of the Home as determined by the Appraisal commissioned under Section 8.05 above (less the value of the Capital Improvements Credit), minus the Initial Market Value.

Section 8.08 Repairs and Transfer Procedures. The following procedures shall apply to all transfers of the Home pursuant to Sections 8.05 and 8.06:

(a) Homeowner Required to Make Necessary Repairs at Transfer. The Homeowner is required to make necessary repairs when he or she transfers the Home as follows:

(i) The Homeowner shall provide in the sales contract with the person purchasing the Home (the "**Buyer**"), that the Buyer shall, prior to purchasing the Home, hire at his or her sole expense a building inspector with a current Home Inspector license to assess the condition of the Home and prepare a written report of the condition ("**Inspection Report**"). The Homeowner shall cooperate fully with the inspection.

(ii) The Homeowner shall provide in the sales contract with the Buyer that the Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and Program Manager within 10 days after receiving the Inspection Report.

(iii) The Homeowner shall repair specific reported defects or conditions necessary, in the reasonable discretion of the Program Manager, to bring the Home into full compliance with Sections 2.02 and 3.02 above prior to transferring the Home.

(iv) The Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, Program Manager may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In the event the repairs are postponed until after the transfer, either (A) 150% of the unpaid estimated cost of repairs or (B) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a Program Manager-approved escrow account, and Program Manager shall pay documented, verified costs of repair from such account and return any remaining funds to Homeowner upon completion and documented, verified full payment of same.

(v) The Homeowner shall allow Program Manager, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.

(vi) Upon sale or other transfer, Homeowner shall either (A) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (B) provide the Buyer with cash at closing sufficient to purchase a comparable new appliance.

(b) Deed, Declaration, and Program Mortgage to be Prepared. The Home shall be conveyed by the Homeowner by a good and sufficient deed commonly used in the jurisdiction for condominium residences conveying a good and clear record and marketable title to the Home free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed, (ii) provisions of local building and zoning laws, (iii) all easements, restrictions, covenants and agreements of

record; (iv) a Declaration in the form then in use by Program Manager to administer the Program which the Homeowner hereby agrees to secure execution by the transferee, and to record immediately after the deed, and (v) a new Program Mortgage in the form then in use by Program Manager to administer the Program which the Homeowner hereby agrees to secure execution by the transferee, and to record immediately after the Declaration or, in the event of any Permitted Mortgage approved in writing by Program Manager, immediately after the Permitted Mortgage. **Said deed shall clearly state that it is made subject to the Declaration which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Homeowner to the transferee or the enforceability of the Declaration.

(c) Distribution of Sales Proceeds. The proceeds of any sale conducted in accordance with this Article VIII shall be distributed as follows: First to satisfy Permitted Mortgages in order of priority, second to pay the Program Manager's Unpaid Amounts, third to pay taxes, homeowner association assessments, and any statutory or municipal fees currently due and payable, fourth to pay amounts owed to any other secured lien holders, and fifth to the Homeowner, who may retain the remaining proceeds of sale. Notwithstanding the foregoing, any Excess Proceeds shall be paid to Program Manager.

(d) Homeowner's Letter of Acknowledgment. In addition to the Declaration described in Section 8.08(b) above, the Homeowner hereby agrees to secure execution by the transferee, of Letters of Acknowledgment in the form attached hereto as Exhibit B, describing the transferee's understanding and acceptance of the Declaration (including the parts of the Declaration that affect the resale of the Home).

Section 8.09 No Promises Made as to Future Sales. Nothing in this Declaration constitutes a promise, commitment or guarantee by the Program Manager to sell or purchase the Home or that upon resale the Homeowner shall actually receive the Maximum Resale Price for the Home or any other price for the Home.

ARTICLE IX.

ENFORCEMENT

Section 9.01 What Happens if Homeowner Fails to Make Payments to Program Manager That are Required by the Declaration. It shall be an event of default if the Homeowner fails to pay the Program Fee or any amounts when due under this Declaration or the Program Mortgage and such failure is not cured by the Homeowner or a Permitted Mortgagee within 30 days after notice of such failure is given by Program Manager to Homeowner and Permitted Mortgagee. However, in the case of a default caused by an unpaid Program Fee, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

Section 9.02 What Happens if Homeowner Violates Other (Nonmonetary) Terms of the Declaration. It shall be an event of default if the Homeowner fails to abide by any other requirement or restriction stated in this Declaration, the Program Mortgage, and/or any other document of record encumbering the Home, and such failure is not cured by the Homeowner or a Permitted Mortgagee within 60 days after notice of such failure is given by the Program Manager to the Homeowner and any Permitted Mortgagee. However, if the Homeowner or a Permitted

Mortgagee has begun to cure such default within the 60-day cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure but not exceeding a total cure period of 120 days. Notwithstanding the foregoing, the Homeowner shall not be entitled to a cure period for any violation of the construction or statutory lien provisions in Article VI, the financing provisions in Article VII, the transfer provisions in Article VIII and/or Section 2.03, or the provisions of Section 9.03 below, and the Program Manager shall be entitled to exercise the rights and remedies under Section 9.04 for any such violation immediately upon notice of such violation being given by the Program Manager to the Homeowner and any Permitted Mortgagee.

Section 9.03 What Happens if Homeowner Defaults as a Result of Judicial Process. It shall be an event of default if the Home is taken on execution or by other process of law, or if any assignment is made of the Home for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

Section 9.04 A Default (Uncured Violation) Gives Program Manager the Right to Exercise Rights and Remedies. Upon the occurrence of an event of default that continues beyond any applicable cure period, the Program Manager shall have, in addition to all other rights and remedies provided at law or in equity, the right, at the Program Manager's option, without further notice or demand of any kind, to take any one or more of the following actions:

(a) The right to enforce this Declaration independently by appropriate legal proceedings and to obtain injunctive and other appropriate relief on account of any violations including without limitation relief requiring restoration of the Home to the condition, affordability or occupancy which existed prior to the violation impacting such condition, affordability or occupancy (it being agreed that there shall be no adequate remedy at law for such violation), and shall be in addition to, and not in limitation of, any other rights and remedies available to the Program Manager.

(b) The right to exercise the Purchase Option under Section 8.06 above;

(c) In the case of a default under Section 9.02 or 9.03, the right to exercise all rights and remedies under the Program Mortgage, including without limitation the institution of foreclosure by judicial proceeding or private sale;

(d) Without limitation of any other rights or remedies of the Program Manager, or its successors and assigns, in the event of any sale, conveyance, financing, refinancing, or other transfer or occupancy of the Home in violation of the provisions of this Declaration, the following rights and remedies, which shall be cumulative and not mutually exclusive:

(i) specific performance of the provisions of this Declaration;

(ii) money damages for Excess Proceeds and Unpaid Amounts, if applicable;

(iii) if the violation is a sale or other conveyance of the Home to an Ineligible Buyer except as permitted herein, the option to locate an Eligible Buyer to purchase or itself purchase the Home from the Ineligible Buyer on the terms and conditions provided herein; the purchase price shall be a price which complies with the provisions of this Declaration; specific performance of the requirement that an Ineligible Buyer shall sell, as herein provided, may be judicially ordered;

(iv) the right to void any contract for sale or any sale, conveyance or other transfer of the Home in violation of the provisions of this Declaration, by an action in equity to enforce this Declaration; and

(v) money damages for the cost of creating or obtaining a comparable dwelling unit for an Eligible Buyer.

(e) In addition to the foregoing, the Homeowner hereby agrees and shall be obligated to pay all fees and expenses (including legal fees) of the Program in the event successful enforcement action is taken against the Homeowner or Homeowner's successors or assigns.

(f) The Homeowner for himself, herself or themselves and his, her or their successors and assigns, hereby grants to the Program Manager the right to take all actions with respect to the Home which the Program Manager may determine to be necessary or appropriate pursuant to applicable law, court order, or the consent of the Homeowner to prevent, remedy or abate any violation of this Declaration.

(g) All rights and remedies set forth in this Section 9.04 are subordinate to the rights of Permitted Mortgagees as set forth in Sections 1.03, 4.01, and 4.07 of this Declaration.

Section 9.05 What Happens if Program Manager Defaults. The Program Manager shall not be in default in the performance of any of its obligations under this Declaration unless and until the Program Manager has failed to perform such obligations for 60 days, or such additional time as is reasonably required to correct any default, after notice by the Homeowner to the Program Manager properly specifying the Program Manager's failure to perform any such obligation.

ARTICLE X.
MEDIATION

Section 10.01 Nothing in this Declaration shall be construed as preventing the parties from utilizing any process of mediation in which the parties agree to engage for the purpose of resolving a dispute.

Section 10.02 Homeowner and Program Manager shall each pay one half (50%) of any costs incurred in carrying out mediation in which the parties have agreed to engage.

ARTICLE XI.

NOTICES, RIGHT OF FIRST REFUSAL, AND OTHER PROVISIONS

Section 11.01 Notices. Whenever this Declaration requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to Program Manager:

_____
1114 W. 7th Avenue, Suite 101
Denver, Colorado 80204
Attn: _____

With a copy to:

Executive Director of the Department of Housing Stability
City and County of Denver
201 West Colfax Avenue, Dept. 615
Denver, Colorado 80202

If to Homeowner:

Homeowner at the Home address

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

Section 11.02 Severability. If any part of this Declaration is unenforceable or invalid, such material shall be read out of this Declaration and shall not affect the validity of any other part of this Declaration or give rise to any cause of action of Homeowner or Program Manager against the other, and the remainder of this Declaration shall be valid and enforced to the fullest extent permitted by law.

Section 11.03 Right of First Refusal in Lieu of Option. If the Program Manager ever has reason to believe that the provisions of the Purchase Option set forth in Article VIII of this Declaration have, for any reason, become unenforceable, the Program Manager shall give notice to the Homeowner and any Permitted Mortgagee of the Program Manager's election to replace the Purchase Option with this Section 11.03 and the Program Manager shall then have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner as follows:

(a) If the Homeowner receives a bona fide third party offer to purchase the Home which the Homeowner is willing to accept, the Homeowner shall give written notice of such offer (the "**Notice of Offer**") to the Program Manager setting forth (i) the name and address of the prospective purchaser, (ii) the purchase price offered by the prospective purchaser, and (iii) all other terms and conditions of sale. The Program Manager shall have 45 days after receipt of the Notice of Offer (the "**Election Period**") within which to exercise the right of first refusal by giving the Homeowner a notice of intent to purchase the Home

(the "**Notice of Intent to Purchase**") for the same price and on the same terms and conditions set forth in the Notice Offer, provided, however, that the price to Program Manager shall not exceed the Maximum Resale Price. Such Notice of Intent to Purchase shall be given in writing to the Homeowner within the Election Period.

(b) If the Program Manager exercises the right to purchase the Home, such purchase shall be completed within 60 days after the Notice of Intent to Purchase is given by the Program Manager (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of either the purchase price provided therein or the Maximum Resale Price, whichever is less.

(c) Should the Program Manager fail to exercise the right of first refusal within the Election Period, then the Homeowner shall have the right (subject to any other applicable restrictions in the Declaration, including without limitation Section 8.08) to go forward with the sale described in the Notice of Offer, and to sell the Home within six months following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice of Offer. If the sale is not consummated within such six-month period, the Homeowner's right so to sell shall end, and all of the provisions of this Section 11.03 shall be applied again to any future offer. If a sale is consummated within such six-month period, the purchaser shall purchase subject to the Program Manager having a renewed right of first refusal in the Home.

(d) Any sale or transfer contrary to this Section 11.03, when applicable, shall be null and void.

Section 11.04 Waiver.

(a) The waiver by Program Manager at any time of any requirement or restriction in this Declaration, or the failure of Program Manager to take action with respect to any breach of any such requirement or restriction, shall not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Declaration. Program Manager may grant waivers in the terms of this Declaration, but such waivers must be in writing and signed by Program Manager before being effective. Notwithstanding the foregoing, the Program Manager may not waive the provisions of Sections 1.03(b), 4.05, 7.01, 7.03, 8.08(c), and 9.04(g) of this Declaration.

(b) The subsequent acceptance by Program Manager of any late payments shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Declaration, other than the failure of the Homeowner to make the particular payment so accepted, regardless of Program Manager's knowledge of such preceding breach at the time of acceptance of such payment.

Section 11.05 Construction. Whenever in this Declaration a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

Section 11.06 Headings and Table of Contents. The headings, subheadings and table of contents appearing in this Declaration are for convenience only, and are not a part of this Declaration and do not in any way limit or amplify the terms or conditions of this Declaration.

Section 11.07 Parties Bound. This Declaration sets forth the entire agreement between Program Manager and Homeowner with respect to the subject matter of this Declaration; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Declaration, their respective successors in interest. This Declaration may be altered or amended only by written notice executed by Program Manager and Homeowner or their legal representatives or, in accordance with the provisions of this Declaration, their successors in interest.

Section 11.08 Governing Law. This Declaration shall be interpreted in accordance with and governed by the laws of the State in which the Home is located. The language in all parts of this Declaration shall be, in all cases, construed according to its fair meaning and not strictly for or against Program Manager or Homeowner.

[Signatures appear on the following pages]

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed as of the Effective Date.

HOMEOWNER:

_____

State of Colorado)
)ss.
County of _____)

This record was acknowledged before me on _____, 20 _____

by _____ and _____ as Homeowner(s).

WITNESS my hand and official seal.

My commission expires: _____

(SEAL) _____

EXHIBIT A

Legal Description
of the Home

EXHIBIT B

Homeowner's Letter of Acknowledgment

[**SEE ATTACHED**]

Exhibit G

RECORDING REQUESTED BY:
_____
_____
_____

WHEN RECORDED RETURN TO:
_____
_____
_____

City and County of Denver
Addendum to Declaration of Affordability Covenants
With Use, Refinance, and Resale Resections
And Purchase Option

THIS ADDENDUM TO DECLARATION OF AFFORDABLITY COVENANTS WITH USE, REFINANCE, AND RESALE RESTRICTIONS AND PURCHASE OPTIONS (the "Addendum") is made this _____ day of _____, 20__ and is incorporated into, and shall be deemed to amend and supplement the Declaration of Affordability Covenants With Use, Refinance, and Resale Resections And Purchase Option (herein, the "Covenant") dated _____ by and between _____ as the Program Manager (the "Program Manager") and _____ as Homeowner (the "Homeowner").

This Addendum amends the Covenant for the purpose of securing the City of Denver's interest in maintaining the affordability of the home legally described in the Covenant (the "Home"). Program Manager and the Homeowner hereby covenant and agree that for the Term of this Covenant, the following provisions shall apply to the Covenant as modifications thereof:

1. All capitalized terms in this Addendum shall have the same meaning as in the Covenant, except as specifically noted.

2. The City and County of Denver (the "City"), through its Department of Housing Stability ("HOST"), subsidized the acquisition of this Home. The City is hereby acknowledged to be a third-party beneficiary of the Covenant and this Addendum. The City may enforce the provisions of this Addendum and any other provision of the Covenant in order to protect its interests in preserving the affordability of Home.

3. This Addendum shall bind the Program Manager and the Homeowner. Each owner, upon acceptance of a deed to the Home, shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during the Homeowner's period of ownership of the Home.

Exhibit G

4. Pursuant to the Covenant, the Program Manager shall verify the qualifications of a proposed buyer to ensure such buyer is an Eligible Buyer. The City must approve the Program Manager's definition of "income" to be used to determine the eligibility of a proposed buyer.

5. The Home shall be utilized as the permanent residence of the Homeowner. A "permanent residence" shall mean the home or place in which one's habitation is fixed and to which one, whenever he or she is absent, has a present intention of returning after a departure or absence therefrom, regardless of the duration of the absence. In determining what is a permanent residence, the following circumstances relating to the Homeowner may be taken into account: business pursuits, employment, income sources, residence for income or other tax purposes, age, marital status, residence of parents, spouse and children, if any, location of personal and real property, and motor vehicle registration.

6. This Addendum shall be in effect during the entire 99-year term of the Covenant. Should the Home be sold to an Eligible Buyer during the Term, the Eligible Buyer shall execute Program Manager's Letter of Acknowledgement, acknowledging certain information and restrictions relating owning the Home, and an Addendum in the same form as this Addendum.

7. Resale of the Home during the term of the Covenant shall be subject to the resale provisions, including the maximum resale price restrictions, contained in Article XIII of the Covenant.

8. No modification to Section 1.04(a), Section 1.05, Article II, or Article XIII of the Covenant or to this Addendum shall be made without the prior written consent of the Executive Director of HOST.

9. In the event that Program Manager becomes unwilling or unable to enforce the requirements of this Addendum or the Covenant, particularly in reference to the requirements related to requirements of affordability, the City shall assume enforcement authority for the City-subsidized Home; provided, however, Article X shall not be applicable to the City.

By signing below, the Program Manager and the Homeowner accept and agree to the terms and conditions of this Addendum.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Exhibit G

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year first written above.

PROGRAM MANAGER:

[INSERT NAME OF PROGRAM MANAGER]

By:_____

Title:_____

Date:_____

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____, as the _____ of _____, a _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)

Exhibit G

HOMEOWNER(S):

_____ _____

(signature) (signature)

_____ _____

(printed name) (printed name)

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20___, by _____.

Witness my hand and official seal
My commission expires _____

_____ [SEAL]
(Notary Public's Official Signature)