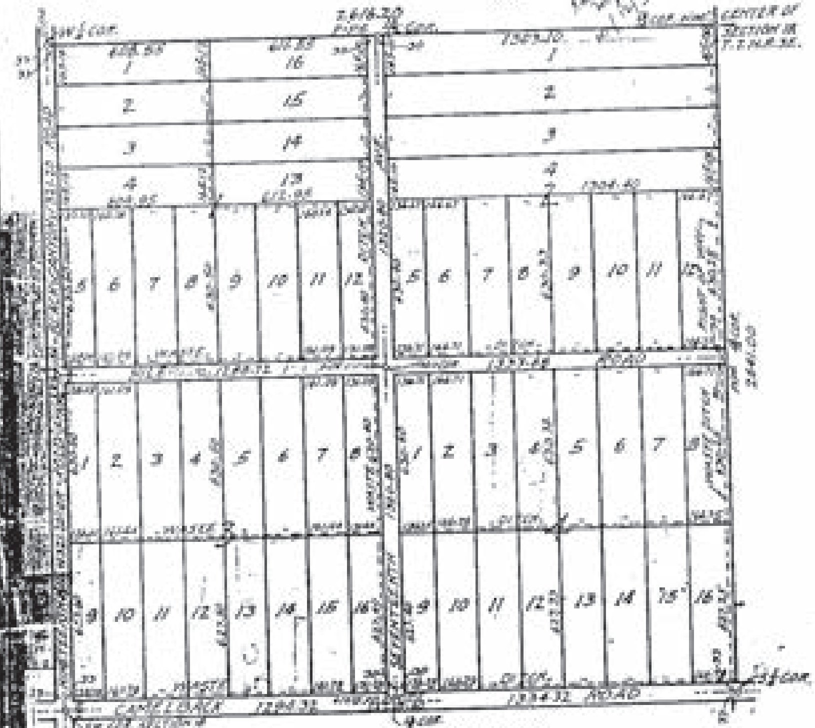
NILE TRACT

A SUBDIVISION OF THE SW¼ OF SECTION 18, T. 2 N. R. 3 E.
MARICOPA COUNTY ARIZONA
SCALE - ONE INCH = 200 FT. (Reduced)



I hereby certify that the survey and subdivision of the within described property as platted hereon, was made by J. Lee Chambers under my supervision during January 1925.
Harry E. Jones

DEDICATION

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS:

KNOW ALL MEN BY THESE PRESENTS: That we the undersigned Olive V. Williams and S.F. Williams her husband, owners of the SW¼ of Section 18, T. 2 N. R. 3 E. Gila and Salt River Base and Meridian, have caused the said property to be surveyed, subdivided and platted as shown hereon, which said premises so subdivided and platted shall hereafter be known as NILE TRACT and the plat as shown hereon is a true and correct plat of the said property and the whole thereof, and the roads and avenues shown hereon are hereby dedicated to the use of the public.

In witness whereof we have hereunto set our hands and seals this 5th day of February 1925.

Olive V. Williams
S.F. Williams

ACKNOWLEDGEMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS:

The foregoing instrument was acknowledged by Olive V. Williams and S.F. Williams her husband, before me, under my hand and seal of office this 5th day of February 1925.

Ralph A. Phillips Notary Public.

Seal
My commission expires June 23rd. 1927.

RESTRICTIONS

The grantors, grant, sell and convey said property subject to the following express conditions and stipulations, as to the use and enjoyment thereof by the grantee, his or her heirs, or assigns:

1st. That no part of said premises shall ever be transferred, conveyed, let or demised to, or used or occupied by, any person not of the White or Caucasian Race; and that this shall be construed as a covenant running with the land, and no deed, contract, agreement or instrument of conveyance shall omit said restriction, which is for the benefit of all persons who may hereafter be or become interested in said NILE TRACT, or any part thereof.

2nd. That no dwelling house costing less than One Thousand Dollars shall be erected upon Lots 9 to 16 inclusive of Block 3 and 4; and no dwelling house costing less than Five Hundred Dollars shall be erected upon any other Lot or portion thereof in said NILE TRACT.

Filed and recorded in the office of the County Recorder, Maricopa County, Arizona, at 9:05 A.M. on Feb. 7, 1925, in Book 14 of Maps, at Page 9.

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
ADRIAN FONTES
20180663533 08/31/2018 04:14
ELECTRONIC RECORDING

98492-25-8-6--
Garciac

American Title Service Agency, LLC

WHEN RECORDED, RETURN TO
Arizona Department of Housing
Attn: Rental Program Administrator
1110 W. Washington, Suite 280
Phoenix, AZ 85007
98492-057 5/7

DECLARATION OF AFFIRMATIVE LAND USE AND RESTRICTIVE COVENANTS AGREEMENT

This Declaration of Affirmative Land Use and Restrictive Covenants Agreement, dated this 28th day of August, 2018 is by and between Revello Housing, LLC whose address is 201 Bradenton Avenue, Suite 120, Dublin, Ohio 43017-3540 and its successors and assigns (the "Owner") and the State of Arizona, Arizona Department of Housing, a constituent department and an agency of the State of Arizona, together with any successor and/or assignees to its rights, duties and obligations (the "Department").

RECITALS

A. The Department has been designated as the housing credit agency for the State of Arizona for allocation of tax credits under the Low Income Housing Tax Credit Program. *See* A.R.S. §§ 41-3901 *et seq.*, and 35-728(B) and (E);

B. The Owner undertakes the construction and/or rehabilitation of the Project which is more fully described in Paragraph 3, below.

C. The Owner applied to the Department for an allocation of Tax Credits to the Project; and the Department relied on the representations made in the Owner's application for Tax Credits, and that are required to be made in the submittal for the Ten-Percent Cost Test, and submittal for Final Allocation of Tax Credits, including any documents, materials, reports, appraisals or studies, provided by Owner in support of the Owner's Application and qualification Tax Credits; and

D. Section 42(h)(6) of the Code conditions a taxpayer's claim for tax credits upon execution and recordation of an Extended Low-Income Housing Commitment that binds the Owner and the Project to operation and use consistent with the program requirements described in Section 42 of the Code and the QAP for a period of not less than 30 years after the year the Project is placed in service; and

E. Based upon the Owner's representations, the Department has agreed to allocate Tax Credits to the Project, provided that the Owner, by entering into this Agreement, agrees to abide by requirements of the Tax Credit program as described by the Code, the QAP, and relevant Department Guidance, and the direction of the Department to enforce the same including but not limited to the affordability requirements, occupancy restrictions, project characteristics, and suitability of the units for occupancy; and

F. The Owner, under the terms of this Agreement, intends, declares, acknowledges, and covenants for itself, its successors and assigns that the warranties, covenants, obligations, and duties set forth herein, are covenants running with the Project for the term stated herein and are binding upon all subsequent owners of the Project for such term.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth, and of all other valuable consideration, the Owner and the Department agree as follows:

1. Incorporation. The above recitals are incorporated herein as a substantive portion of this Agreement.

2. Purpose. This Agreement satisfies the requirements of an Extended Low-Income Housing Commitment described in Section 42(h)(6) of the Code.

3. Definitions. Unless otherwise described in the Code, capitalized terms used in this Agreement shall be understood as follows:

"Agreement" means this Declaration of Affirmative Land Use and Restrictive Covenants Agreement.

"Applicable Fraction" means the same as the definition at Section 42(c)(1) of the Code.

"Application" means the application made by Owner for Tax Credits.

"Code" means Sections 38(a) and 42 of the Internal Revenue Code of 1986, as amended and the applicable regulations of the U.S. Department of the Treasury, and relevant guidance of the Internal Revenue Service.

"Compliance Period" means the compliance period described in Section 42(i)(1) of the Code, as applicable to particular building(s) in the Project.

"Consent and Subordination Agreement" means the consent and subordination agreement attached to this Agreement as Attachment III executed by the Lender identified in a mortgage or such other intercreditor or subordination agreement executed by and between the Lender and the Department.

"Department" means the State of Arizona or the Arizona Department of Housing as the context requires.

"Department Guidance" means guidance provided from time to time by the Department relevant to Tax Credits and other programs that it administers including the LIHTC Compliance Manual published and as revised or amended by the Department from time to time.

"Extended Use Period" means the same as the definition at Section 42(h)(6)(D) of the Code.

"Final Allocation of Tax Credits" means submittal to the Department and review relating to issuance of I.R.S. Form 8609.

"I.R.S." means the Internal Revenue Service.

"Lender" means any provider of funds through a loan or grant, including a government lender other than the Department, for the purpose of developing the Project. "Lender" does not include an equity investor in the Project.

"Loan Documents" means the Promissory Note, Deed of Trust, and other documents executed by the Owner in favor of the Department for the purpose of memorializing and securing loans or grants of financial assistance by the Department for the Project.

"Low-Income Units" means residential rental units reserved for occupancy as defined in Section 42(i)(3)(A) of the Code.

"Management Units" mean residential rental units other than Low-Income Units or Market-Rate Units that are reserved for occupancy by one or more persons that receive a salary or rent subsidy in return for maintenance or other services related to operation of the Project.

"Market-Rate Units" mean residential rental units other than Low-Income Units or Management Units.

"Project" means the project real property, including all buildings, improvements, and fixtures thereto, that are under common ownership and control, located within the City of **Phoenix**, County of **Maricopa** at **1600 West Camelback Road** and commonly known as **The Revello** that is more specifically described in the Legal Description attached to this Agreement as Attachment I.

"QAP" means the Qualified Allocation Plan adopted by the Department pursuant to Section 42(m) of the Code and as revised from time to time.

"Section 8" means the program or holders of a voucher of family participation in Section 8 of the Housing Act of 1937 (see 24 CFR Pt. 982, the Housing Choice Voucher Program).

"Tax Credits" means Low Income Housing Tax Credits and the Low Income Housing Tax Credit program as described in the Code.

"Ten-Percent Cost Test" means the requirements described in Section 42(h)(1)(E) of the Code for the purpose of a binding commitment to allocate Tax Credits when the Project is "placed in service" as that term is used and understood in the Code.

4. Use Restrictions. The Owner covenants that for the term of this Agreement, the Property shall be used as a multifamily rental as follows:

a) Occupancy Restrictions. Project shall be operated in accordance with affordability requirements and occupancy restrictions set forth in Attachment II, Occupancy Restrictions and Project Unit Characteristics, which is incorporated and made part of this Agreement.

i) Minimum Set-aside Requirements. Consistent with Section 42(g)(1) of the Code, the Project shall meet the requirements of a "qualified low-income housing project" in that, subject to the election of the Owner:

(1) 20 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 50 percent or less of area median gross income; or

(2) 40 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 60 percent or less of area median gross income.

b) Rent-restricted units. Low-income units shall be rent restricted such that the gross rent with respect to such unit does not exceed 30 percent of the imputed income limitation applicable to such unit as provided by Section 42(g)(2) of the Code.

c) Applicable Fraction. The Applicable Fraction shall not be less than **one-hundred (100%)** percent.

d) Tenants' Rights.

i) Low-Income Units shall be leased to tenants on a nontransient basis. The leases shall be in writing, signed by the Owner or the Owner's agent and the tenant, and for a term of not less than six (6) months.

ii) The form of lease to be utilized by the Owner in renting any residential rental unit in the Project to any person who is intended to be a low-income tenant shall provide for immediate termination of the lease and eviction in accordance with Arizona Revised Statues for failure to qualify as a low-income tenant as a result of any material misrepresentation made by such person with respect to the income certification, or any material misrepresentation made in conjunction with execution of the lease or the failure by such tenant to execute an income certification at least annually.

iii) Residential rental units in the Project will be rented or available for rental to the public on a continuous basis and no tenant shall be evicted without cause and any lease relating to a Low-Income Unit shall be renewed unless cause exists not to renew the lease. Any termination of a lease or refusal to renew a tenant occupying a Low-Income Unit must be preceded by the Owner's service upon the tenant of a written notice specifying the grounds for the action, which notice must be delivered to the tenant at least 30 days before the termination or refusal to renew is to be effective.

iv) No prospective tenant shall be denied occupancy solely because the person holds a Section 8 voucher or certificate.

e) Program Requirements. In addition to any requirements described in Attachment II the Owner shall:

i) operate the Project consistent with Tax Credit program requirements described in the Code, the applicable QAP or Department Guidance; and

ii) maintain the Property as safe, decent, affordable housing that is suitable for occupancy in accordance with the requirements of Code, Department Guidance, and local law; and

iii) register the units with www.socialserve.com for the duration of the Compliance Period.

5. Term of Agreement

a) The warranties, covenants, obligations, and duties described in this agreement shall commence on the earlier of the first day in the Compliance Period or the date of execution of this Agreement.

b) Except as otherwise provided in paragraph 9 of this Agreement the warranties, covenants, obligations, and duties described herein with respect to any building that is part of the Project shall be in effect during the Extended Use Period.

c) The Extended Use Period shall terminate on **December 31, 2049.**

6. Monitoring and Enforcement. The Tax Credit program requires the Department to conduct periodic monitoring and review of the Project for the purpose of determining compliance with Tax Credit program requirements. The Owner must comply with Department Guidance which describes in detail the monitoring and compliance requirements. Monitoring includes on-site inspections and review of documents supplied by the Owner to the Department.

a) Entry and Inspection. The Owner shall permit, during normal business hours and upon reasonable notice, any duly authorized representative of the Department to conduct on-site inspections of the Project land and improvements and to inspect any facility, book, and record of the Owner relating to the Project.

b) Certifications. By March 15th of each year, or as otherwise may be required by the QAP, as amended from time to time, the Owner will submit such certifications as may be required and identified Department Guidance. In addition, Owner shall provide annually or at such other times as may be directed by the Secretary of the United States Department of the Treasury, or his designee, an Annual Project Certification Report, Rental Schedule and Annual Utility Certification, with such modifications as the Department may require based upon the rules or regulations established by the Secretary.

c) Books and Records. The Owner shall keep and maintain at the Project all books and records required by the Code, the QAP, or other Department Guidance.

d) Information. The Owner shall submit any other information, documents or certifications that the Department shall deem reasonably necessary.

e) Monitoring Fees. The Owner further covenants and agrees to pay to the Department such fees in the amounts and at such times as the Department shall, in its sole discretion, reasonably determine and require to Owner to pay for the costs of monitoring the Project. Applicable monitoring fees may be revised from time to time by the Department through the QAP. Monitoring is required by Federal law and may be performed by the Department periodically, but monitoring fees shall be assessed no more frequently than annually.

7. Breach. The Owner covenants and agrees to inform the Department by written notice of any breach of the Owner's obligations hereunder within five (5) business days of first discovering any such breach. Violations shall be cured within the deadlines described in paragraph 8, below. If any such breach is not corrected to the satisfaction of the Department within the period of time specified by the Department, without further notice the Department may declare a default under this Agreement effective on the date of such declaration of default, and the Department may apply to any court, state or federal, for any of the remedies described in paragraph 8 of this Agreement.

8. Remedies. If Owner breaches any warranty, covenant, obligation, or duty set forth in this Agreement, and if such breach remains uncured by a deadline date set forth in any notice thereof (not to exceed 90 days), the Department shall be entitled to any or all of the remedies described below:

a) If the Department determines that the Owner has taken and diligently continues corrective action and that the breach cannot be corrected within the 90-day period, the Department may, in its sole discretion, allow the Owner up to six (6) months after first notice to cure the breach;

b) If the breach is not cured within thirty (30) days after notice to the Owner, the Department shall issue I.R.S. Form 8823 or otherwise notify the I.R.S. of noncompliance with Tax Credit program requirements by such other means as may be directed by the I.R.S. from time to time.

c) The Department may:

i) demand return of all funds provided by the Department to the project, plus interest at the maximum rate permitted by law, and/or an amount attributable to the increase in equity in the property attributable to the infusion of any State Housing Funds, utilized for any purpose;

d) resort to any court having jurisdiction of the subject matter for specific performance of this Agreement, for an injunction against any violation of this Agreement, for an accounting, for the appointment of a receiver to take over and operate the property in accordance with the terms of this Agreement, or such other relief as may be appropriate, it being acknowledged by Owner that the beneficiaries of owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of owner's breach of this Agreement, because the beneficiaries include the low-income families to be benefited by allocation of Tax Credits to the Owner. The Department shall be entitled to reimbursement of reasonable attorneys' fees and all costs incurred in any such judicial action in which the Department shall prevail.

e) The Owner and the Department each acknowledge that the primary purposes for requiring compliance by the Owner with the restrictions provided in this Agreement are to assure compliance of the Project and the Owner with the Code, AND BY REASON THEREOF, THE OWNER IN CONSIDERATION FOR RECEIVING LOW-INCOME HOUSING TAX CREDITS FOR THIS PROJECT HEREBY AGREES AND CONSENTS THAT THE DEPARTMENT AND THE LOW-INCOME TENANT(S) (WHETHER PROSPECTIVE, PRESENT OR FORMER OCCUPANTS OF THE PROJECT) (OR EITHER OR ALL OF THEM) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE OWNER OF ITS OBLIGATIONS

UNDER THIS AGREEMENT IN ANY ARIZONA STATE COURT OF COMPETENT JURISDICTION, the Owner hereby further specifically acknowledging that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

f) Project Decertification. Notwithstanding anything in this entire Agreement to the contrary, upon the failure of the Owner to comply fully with the Code, the warranties, covenants, and declarations of obligations and duties contained herein or with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the United States Department of the Treasury, the IRS or the Department from time to time pertaining to the obligations of the Owner as set forth therein or herein, the Department may, and in addition to all of the remedies provided by law or in equity, request that the IRS decertify the Project for Tax Credits and immediately commence recapture of the tax credit amount heretofore allocated to the Project.

g) Notwithstanding the foregoing and unless breach of the provisions of this Agreement is an express event of default under the Loan Documents, enforcement of this Agreement shall not serve as a basis for a declaration of default under the Loan Documents or acceleration of the mortgage note or result in any claim under the mortgage or claim against the Project, the mortgage note proceeds, any reserve or deposit made with the first mortgagee in connection with the mortgage loan, or against the rents or other income from the Project.

9. Termination

a) Termination may occur only upon foreclosure.

Notwithstanding anything to the contrary in paragraph 5 hereof, the Extended Use Period for any building which is part of the Project, shall terminate:

on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Internal Revenue Service (the "IRS") determines that such acquisition is part of an arrangement with the Owner (or any successor owner of the Project) the purpose of which is to terminate this Agreement during the term hereof, or

b) The termination of the Extended Use Period pursuant to paragraphs 5 or 9(a) shall not be construed to permit before the close of the three-year period following such termination:

i) the eviction, termination or non-renewal of tenancy (other than for good cause) of an existing tenant of any Low-Income Unit, or

ii) any increase in the gross rent with respect to such Low-Income Unit not otherwise permitted by the Code.

10. Representations, Covenants and Warranties of Owner. The Owner hereby warrants and covenants that the warranties, covenants, and declaration of obligations and duties set forth herein may be relied upon by the Department and all persons interested in Project compliance under the Code. In performing its duties and obligations hereunder, the Department may rely upon statements and certificates of the Owner pertaining to occupancy of the Project. In addition, the Department may consult with counsel, and the authorization and protection in respect of any action taken or suffered by the Department hereunder in good faith and in conformity with the opinion of such counsel shall be applicable to the Department's reliance upon such opinion of counsel. The Owner further represents, covenants and warrants to the Department that:

a) The Owner

i) is a limited liability company duly organized under the laws of the State of Arizona, and qualified to transact business within the State of Arizona pursuant to either Title 10 or Title 29, Arizona Revised Statutes;

ii) has the power and requisite authority to own its properties and assets as owned, where owned, and to carry on its business as now being conducted (and as now contemplated by this Agreement and the Loan Documents); and

iii) has the full legal right, power, and authority to execute and deliver this Agreement and the Loan Documents and to perform all undertakings of the Owner hereunder.

b) The execution and performance of this Agreement and the Loan Documents by the Owner:

i) will not violate or, if applicable, have not violated any provision of law, rule or regulation, or any order of any court or other governmental agency; and,

ii) will not violate or, if applicable, have not violated any provision of any indenture agreement, mortgage, mortgage note or other instrument to which the Owner is a party or by which it or the Project is bound, and

(iii) will not result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature.

c) The Owner will, at the time of execution and delivery of this Agreement, have good and marketable title to the real property and improvements constituting the Project free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Agreement, the Loan Documents or other permitted encumbrances).

d) There is presently no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Owner, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair the Owner's right to carry on business substantially as now conducted (and as now contemplated by this Agreement and the Loan Documents) or which would materially, adversely affect its financial condition. Neither the Owner, its principals, shareholders, managers, members or general partners, as the case may be, have any judgment entered against them which would, when recorded, constitute a lien against or otherwise impair the security of the Project.

e) The Project qualifies as a residential rental property for the purposes of the Code; the residential rental units of which will be rented or available for rental on a continuous basis to members of the general public as further restricted by Attachment II hereto. The Project consists of one or more proximate buildings or structures containing one or more similarly constructed accommodations containing separate and complete facilities for living, sleeping, eating, cooking and sanitation which are to be used on other than a transient basis as the term is defined in the Code and facilities which are functionally related and subordinate to such accommodations. No actions will be taken by the Owner which will in any way affect the use of the Project.

f) The date the Project will be "placed in service" is no later than December 31, 2019.

g) To the extent that the Project involves rehabilitation of existing residential rental units, relocation of tenants complies with all the requirements of the Uniform Relocation Act.

h) The Project is in full compliance with the requirements of the Fair Housing Act Design Standards.

i) Owner has read and is familiar with the provisions of the Code, the Qualified Allocation Plan, and relevant federal guidance and Department Guidance that describe the obligations and duties of the Owner to operate and maintain the Project in compliance with the requirements of the Tax Credit program and other program sources of funding for the Project.

j) Owner reviewed the terms and conditions of this Agreement and reasonably notified all Lenders that execution of this Agreement, and specifically Attachment III, Consent and Subordination Agreement, is a condition precedent to Final Allocation of Tax Credits.

k) Warranty, Release and Indemnification. The Owner warrants, covenants, and agrees that it has not relied upon or sought any information from the Arizona Department of Housing, its successors and/or assigns, its agents, counsel or employees in conjunction with the application for, issuance of and reporting to the federal government of an allocation of Tax Credits. In conjunction with the Owner's application and allocation of Tax Credits, the Owner acknowledges and agrees for itself and on behalf of any of its partners, limited partners, special limited partners, members, special members or any other constituent entity of Owner, and Owner's successors and assigns that it : 1) releases the Department, its agents, counsel and employees from any losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including, but not confined to, attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments, and any loss from such judgments or assessments) directly or indirectly resulting from, arising out of, or related to the allocation of Tax Credits to the Project or the recapture of Tax Credits by the Internal Revenue Service including any interest and penalties thereon; 2) indemnifies the Department, its agents, counsel and employees from any losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including, but not confined to, attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments, and any loss from such judgments or assessments) directly or indirectly resulting from, arising out of, or related to an assessment and deficiency determination or otherwise by the Internal Revenue Service; and, 3) further indemnifies the Department, its agents, counsel and employees from any losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including, but not confined to, attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments, and any loss from such judgments or assessments) directly or indirectly resulting from, arising out of, or related to any activities undertaken pursuant to this Agreement and the ownership, operation, or maintenance of the Project.

l) Owner executed a Waiver of Qualified Contract on **March 1, 2017**. The Owner, and any successor(s) thereto, is ineligible to request a Qualified Contract as defined in I.R.C. § 42(h)(6)(F).

11. Owner's Obligations and Duties

a) The Owner agrees that it will not knowingly take or permit to be taken any action which would have the effect, either directly or indirectly, of subjecting the Owner or the Project to non-compliance with of the Code. Moreover, Owner agrees to take any lawful action (including amendment of this Agreement as may be necessary in the opinion of the Department) to comply fully with pertinent law and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service from time to time pertaining to Owner's obligations under the Code and affecting the Project.

b) The Owner agrees not to discriminate on the basis of race, creed, color, sex, age, handicap, marital status, or national origin in the leases for occupancy of the Project or in conjunction with the employment or application for employment of any person or persons for the operation and management of said Project, except as provided in Attachment II.

c) The Owner agrees that Low-Income Units shall be of comparable quality to other residential rental units in the Project unless the Owner has elected to exclude such excess costs for non-comparable Low Income Units from eligible basis in accordance with the Code.

d) As a condition of occupancy, the Owner shall require each applicant for tenancy of a Low-Income Unit to certify in writing to the Department that the person's sources and amount of income declared for the purposes of program eligibility are true and correct. Existing tenants of Low-Income Units shall be required to certify the same to the Department annually. In addition, the Owner shall require each applicant for tenancy to provide whatever other information, documentation, or certifications deemed necessary by the Department to verify the tenant's eligibility for occupancy of a Low-Income Unit.

e) During the term of this Agreement, the Owner shall comply with all federal, state and local laws, codes, ordinances, rules and regulations, conditions, and assurances, and shall keep and maintain in effect at all times any and all licenses, permits, notices, and certifications which may be required with regard to the Project. Furthermore, the Owner shall abide by all requirements of its respective corporate form, its articles of organization and bylaws, and remain at all times in good standing with the agencies having regulatory jurisdiction over it.

f) The Owner agrees that if it shall become aware of any situation, event or condition which would result in non-compliance of the Project or the Owner with Section 42 of the Code, then the Owner shall promptly give written notice thereof to the Department.

g) Transfer Restrictions

i) Except as provided in subparagraphs (ii) and (iii), below, the Owner may not sell, transfer or exchange the Project or individual buildings at any time, without prior written consent of the Department, such consent not to be unreasonably withheld or delayed. The Department will require the written agreement in advance of the transfer of the project to any buyer or successor or other person acquiring the Project or any interest therein that the transfer is subject to the requirements of this Agreement and otherwise subject to the requirements for a sale, transfer or exchange of a Tax Credit project under the Code. Notwithstanding the foregoing, nothing in this subparagraph shall affect the rights of a Lender to approve the proposed transfer as required under a Mortgage.

ii) The Owner further covenants and agrees not to dispose of less than all of its interest in any building composing the Project.

iii) The Owner shall not demolish any portion of the Project or substantially subtract from any real or personal property comprising the Project; or permit the use of any residential rental unit for any purpose other than rental housing during the term of this Agreement.

iv) The Owner shall not grant commercial leases or licenses relating to the Project (other than commercial leases as permitted by the Code or permit the sale, transfer, conveyance or other encumbrance of the Project or any portion thereof (except for Residential Rental Unit leases) during the effective term of this Agreement, provided that this covenant shall not apply to any encumbrance, conveyance or transfer in conjunction with a sale, transfer or other conveyance of the Project that complies with the requirements of the Loan Documents and this Agreement.

12. Casualty Condemnation and Eminent Domain. Subject to the express provisions of an agreement between a Lender and the Department, the Owner represents, warrants and agrees that if the Project, or

any portion thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Owner will use its best efforts to repair and restore same to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter operate the Project in accordance with the terms of the Loan Documents and this Agreement. The Department shall be a party to any agreement relating to the use of condemnation proceeds or insurance proceeds from damage to the Project to repair and restore the Project. Provided, however, that if repair or restoration of the Project is not practicable, the Owner shall not be obligated to repair or restore the Project. If the Owner chooses not to repair or restore the Project, then the Department shall appropriately notify the IRS in and take such other appropriate action in accordance with terms of this Agreement and the requirements of the Code.

13. Covenants Run with the Land; Successors Bound Thereby

a) Upon execution and delivery by the Owner, the Owner shall cause this Agreement and all amendments and attachments hereto to be recorded and filed in the official records of the county recorder's office in the county in which this Project is located and, if applicable, with the recording office of the appropriate Indian tribe if the Project is located on tribal land, and pay all fees and charges incurred in conjunction with recording of this Agreement and all addenda or amendments thereto. Upon recording, the Owner shall immediately transmit or cause to be sent directly from the recorder's office to the Department an executed original of the recorded Agreement showing the date, book and page number of recording. The Owner acknowledges and agrees that the Department will not issue IRS Form(s) 8609 constituting final allocation of the credit unless and until the Department has received a recorded executed original of this Agreement. Where pertinent, the Department may require Owner to furnish a preliminary title report for the Project prior to or after recordation of this Agreement.

b) The Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Project and land upon which the Project is constructed that, during the term of this Agreement, all of the covenants and restrictions set forth in this Agreement regulating and restricting the use, occupancy and transfer of the Project (i) shall be and are covenants running with the Project, encumbering the Project and land upon which the Project sits for the term of this Agreement, and are binding upon the Owner's successors in title and all subsequent owners and operators of the Project and the land upon which the Project sits, (ii) are not merely personal covenants of the Owner, and (iii) shall bind the Owner (and the benefits shall inure to the Department and any past, present, or prospective low-income tenant of the project) and its and their respective successors and assigns during the term of this Agreement.

c) The Owner hereby agrees that any and all requirements of the laws of the State of Arizona to be satisfied in order for the provisions of this Agreement to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of estate or title are intended to be satisfied hereby, or in the alternative, that an equitable servitude has been created to ensure that these restrictions will run with the land. For the longer of the period this credit is claimed or the term of this Agreement (including, if applicable, the three year period described in paragraph 9 (Termination) hereof, each and every contract, deed or other instrument hereinafter executed conveying the Project or any portion thereof shall expressly provide that such conveyance is subject to this Agreement, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed conveying the Project or any portion thereof provides that such conveyance is subject to this Agreement.

d) The Owner further covenants and agrees to obtain the consent of any prior recorded lien holder on the Project to this Agreement and the recording thereof, and such consent shall be a condition precedent to the issuance of the IRS Form(s) 8609 constituting final allocation of the credit to this Project.

14. Subordination. The Owner covenants and agrees to advise all Lenders that as a condition to Final Allocation of Tax Credits, each and every Lender with an interest in the Project that is senior in time or right to the rights created under this Agreement shall execute and record the Department's current form of a consent and subordination agreement, an example of which is set forth in Attachment III (a "Consent and Subordination Agreement"). Except for the Loan Documents and other Lender mortgages expressly permitted by the Department and Loan Documents that are the subject of a written subordination agreement between the Lender and the Department, the Owner warrants that it has not and will not execute any other agreement or otherwise become a party to such an agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede the requirements and conflicts contained in any other agreement. In the event of a conflict between the provisions of this Agreement and the Loan Documents, the provisions of this Agreement shall control, except as provided in a written subordination agreement between the Lender and the Department.

15. Effect of Other Restrictive Covenants. In the event that the Department requires the Owner to execute and record a separate declaration of restrictive covenants on the Property, then the more restrictive requirements shall apply. Upon the expiration or termination this Agreement or of any such declaration, the Property shall remain bound by the terms and provisions of the surviving document.

16. Amendment. This Agreement may be amended with the prior written approval of the Department to correct factual errors contained herein or to reflect changes in pertinent law, the Code and any ruling promulgated thereunder. No amendment to this Agreement may be made without the prior written approval of the Department. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of the Department's legal counsel, are reasonably necessary or desirable to correct factual errors or for maintaining compliance under the Code.

17. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

18. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To the Department:	Arizona Department of Housing 1110 W. Washington Street, Suite 280 Phoenix, AZ 85007 Attention: Asset Manager
To the Owner:	Revello Housing, LLC 201 Bradenton Avenue, Suite 120 Dublin, OH 43017-3540 Attention: Daniel N. Terlecki

The Department, and the Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices; certificates or other communications shall be sent.

19. Governing Law. This Agreement shall be governed by the laws of the State of Arizona and, where applicable, the laws of the United States of America. In accordance with Arizona law, the Department and State of Arizona may cancel this Agreement without penalty or further obligation under the provisions of Arizona Revised Statutes Section 38-511. The parties further agree to use arbitration to the extent required by Arizona Revised Statutes Section 12-1518.

20. Venue. The Owner consents to venue in the Arizona Superior Court for Maricopa County for any legal action arising under this Agreement.

21. Survival of Obligations. The obligations of the Owner as set forth herein and in the Application shall survive the allocation of tax credit dollars and shall not be deemed to terminate or merge with the awarding of the allocation.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective duly authorized representatives, as of the day and year first above written.

OWNER Revello Housing, LLC, an Arizona limited liability company By: Revello MM, LLC an Arizona limited liability company Its: ~~[illegible]~~ managing member By: Bethel Development, Inc. an Ohio corporation Its: Managing Member		**THE DEPARTMENT** SIGNED IN COUNTERPART
Daniel N. Terlecki, President		Carol L. Ditmore, Director *or* Andrew Rael, Assistant Deputy Director/Programs *or* Reginald H. Givens, Assistant Deputy Director/Operations

ACKNOWLEDGEMENTS ON THE FOLLOWING PAGE

The Department, and the Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices; certificates or other communications shall be sent.

19. Governing Law. This Agreement shall be governed by the laws of the State of Arizona and, where applicable, the laws of the United States of America. In accordance with Arizona law, the Department and State of Arizona may cancel this Agreement without penalty or further obligation under the provisions of Arizona Revised Statutes Section 38-511. The parties further agree to use arbitration to the extent required by Arizona Revised Statutes Section 12-1518.

20. Venue. The Owner consents to venue in the Arizona Superior Court for Maricopa County for any legal action arising under this Agreement.

21. Survival of Obligations. The obligations of the Owner as set forth herein and in the Application shall survive the allocation of tax credit dollars and shall not be deemed to terminate or merge with the awarding of the allocation.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective duly authorized representatives, as of the day and year first above written.

OWNER Revello Housing, LLC, an Arizona limited liability company By: Revello MM, LLC an Arizona limited liability company Its: ~~administrative~~ managing member By: Bethel Development, Inc. an Ohio corporation Its: Managing Member SIGNED IN COUNTERPART		**THE DEPARTMENT** Andrew Rael
Daniel N. Terlecki, President		Carol L. Ditmore, Director *or* Andrew Rael, Assistant Deputy Director/Programs *or* Reginald H. Givens, Assistant Deputy Director/Operations

ACKNOWLEDGEMENTS ON THE FOLLOWING PAGE

STATE OF OHIO)
) ss
County of Franklin)

On this the 27th day of August, 2018, before me, a Notary Public, personally appeared Daniel J. Terlecki, the President, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

4-24-2020
Notary Expiration Date

Signature of the Notary Public for Owner

[STAMP/SEAL]

NOTARIAL SEAL STATE OF OHIO

Roger Simmons
Notary Public, State of Ohio
My Commission Expires 04-24-2020

STATE OF ARIZONA)
) ss
County of Maricopa)

On this the _______ day of ___________, 20__, before me, a Notary Public, personally appeared ______________________, the ______________, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

Notary Expiration Date

Signature of the Notary Public for the Department

[STAMP/SEAL]

STATE OF OHIO)
) ss
County of Franklin)

On this the _______ day of ____________, 20___, before me, a Notary Public, personally appeared ______________________, the ___________________, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

Notary Expiration Date

Signature of the Notary Public for Owner

[STAMP/SEAL]

STATE OF ARIZONA)
) ss
County of Maricopa)

On this the 28th day of August, 2018, before me, a Notary Public, personally appeared ANDREW KAEL, the DEP. DIRECTOR, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

2-21-2021
Notary Expiration Date

Lori Hofer
Signature of the Notary Public for the Department

[STAMP/SEAL]

LORI HOFER
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
February 21, 2021

The Revello LURA 013

ATTACHMENT I

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

PARCEL N0.1:

Lot 13, Block 4, of NILE TRACT, according to Book 14 of Maps. Page 9, records of Maricopa County, Arizona;

EXCEPT the North 297.60 feet thereof; and

EXCEPT the South 200 feet thereof; and

EXCEPT the East 25 feet thereof; and

EXCEPT the North 55 feet of the South 360 feet thereof.

PARCEL NO. 2:

The South 200 feet of Lot 13, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona;

EXCEPT the East 25 feet and the South 7 feet thereof; and

EXCEPT that part described as follows:

BEGINNING at the intersection of the North line of the South 7 feet of said Lot 13, with the West line of the East 25 feet of said Lot 13;

THENCE Northerly along the said West line, a distance of 5 feet;

THENCE Southwesterly to a point on the North line thereof, which is 5 feet Westerly from the said POINT OF BEGINNING;

THENCE to the TRUE POINT OF BEGINNING; and

EXCEPT that part described as follows:

A part of Lot 13, Block 4, NILE TRACT, according to Book 14, of Maps, page 9, records of Malicopa County, Arizona, more particularly described as follows;

COMMENCING at the intersection of 16th Avenue and Camelback Road;

THENCE North 00 degrees 24 minutes 39 seconds East along the centerline of 16th Avenue, a distance of71.02 feet;

THENCE North 89 degrees 35 minutes 21 seconds West a distance of 25.00 feet to the POINT OF BEGINNING;

THENCE South 00 degrees 24 minutes 39 seconds West a distance of 25.6.9 feet;

THENCE South 45 degrees 48 minutes 35 seconds West a distance of 7.03 feet;

THENCE North 88 degrees 50 minutes 37 seconds West a distance of 141.79 feet:

THENCE North 00 degrees 28 minutes 08 seconds East a distance of 12.24 feet;

THENCE South 88 degrees 52 minutes 07 seconds East a distance of 128.47 feet;

THENCE North 45 degrees 38 minutes 41 seconds East a distance of 25.78 feet to the POINT OF BEGINNING.

PARCEL NO. 3:

The North 100 feet of the South 300 feet of Lot 12, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona.

PARCEL NO. 4:

The East 5 feet of the South 200 feet of Lot 12, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona;

EXCEPT the South 7 feet thereof.

ATTACHMENT II

OCCUPANCY RESTRICTIONS AND PROJECT UNIT CHARACTERISTICS

This Attachment describes the specific affordability requirements and occupancy restrictions for the Project required by the Code and the project characteristics as described and represented to the Department by the Owner in the materials described in Recital Paragraph C. These affordability requirements and occupancy restrictions must be satisfied by no later than the close of the first year of the credit period. See I.R.C. § 42(f)(1). The Project shall be operated and maintained according to the unit mix and with the amenities described herein.

1. Residential Rental Unit Mix.

a) The Owner acknowledges that the Project will contain **seventy-six (76)** total residential rental units, **zero (0)** of which may be occupied by a manager or maintenance individual, leaving **seventy-six (76)** rent-commanding units for households who meet the low–income requirements hereof (Housing For Older Persons 55+). Of the **seventy-six (76)** rent-commanding units, **zero (0)** of the units are to be rented at market rates and **seventy-six (76)** at restricted, low-income rents.

b) The Project will contain Gross Floor Area of **77,280** square feet and Net Rentable Area of **54,254** square feet. The project will consist of **one (1)** residential building. There are **sixty-two (62)** one-bedroom, one-bathroom units and **fourteen (14)** two-bedroom, two-bathroom units.

2. Priority Occupancy for Low-Income Tenants with Special Needs. **Zero (0)** of the Low-Income Residential Rental Units of the Project shall be required to be occupied (or treated as occupied) by individuals or individuals or families, where at least one member of the individual or family meets one or more of the following criteria (enter number of residential rental units after each):

a) **Zero (0)** of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by homeless individual(s) or families meaning a person(s) who has lived a) in places not meant for human habitation such as cars, parks, sidewalks, abandoned buildings, etc.; b) in an emergency shelter facility; c) in a transitional housing facility (not permanent housing);

b) **Zero (0)** of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by seriously mentally ill persons, meaning adults whose emotional or behavioral functioning is so impaired as to interfere with their capacity to remain in the community without supportive treatment. The mental impairment is severe and persistent and may result in a limitation of their functional capacities for primary activities of daily living, interpersonal relationships, homemaking, self-care, employment or recreation. The mental impairment may limit their ability to seek or receive local, state or federal assistance such as housing, medical and dental care, rehabilitation services, income assistance, or protective services;

c) **Zero (0)** of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by seriously emotionally disturbed persons meaning persons between birth and age 18 who currently or at any time during the past year have had a diagnosable mental, behavioral, or emotional disorder that resulted in a functional impairment which substantially interferes with or limits the person's role or functioning in family, school, or community activities. Seriously emotionally disturbed persons are to be certified by a referral agency recognized by the Department;

d) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by developmentally disabled persons and/or autism meaning persons suffering from a severe, chronic condition attributable to a physical or mental impairment manifesting itself before the age of 22 and likely to continue indefinitely. Developmentally Disabled Persons are to be certified by a referral agency recognized by the Department;

e) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by victims of AIDS/HIV, as certified by a licensed M.D.;

f) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by victims of domestic violence, as certified by referral agency recognized by the Department;

g) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by victims of chronic substance abuse, as certified by a referral agency recognized by the Department;

h) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by physically disabled persons suffering from a physical impairment that substantially limits one or more major life activity or have a record of such impairment.

3. Priority Occupancy for Elderly Persons and/or Disabled Low-Income Tenants

a) **All seventy-six (76)** of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by individuals or families, where at least one individual in each unit will be 55 years of age or older.

b) Zero (0) of the Low-Income Units of the Project shall be required to be occupied (or treated as occupied) by households composed of one or more persons, at least one of whom is 62 years of age or more at the time of initial occupancy, and are receiving supportive services.

4. Income Restrictions for Tenants of Low-Income Units

a) At least **twenty-seven (27)** Low-Income Residential Rental Units shall be required to be occupied (or treated as occupied as provided herein) by individuals or families whose income is **40%** or less of the area median gross income as determined in accordance with the Code (said tenants to be referred to herein, collectively, as "40% AMGI low-income tenants"). Gross rents for these Low-Income Residential Units shall be restricted to no more than the allowable rent limit as established by the Arizona Department of Housing as published for the applicable year for the 40% AMGI low-income tenants, or the applicable Gross Rent Floor that was elected for the Project.

b) At least **thirty-five (35)** Low-Income Residential Rental Units shall be required to be occupied (or treated as occupied as provided herein) by individuals or families whose income is **50%** or less of the area median gross income as determined in accordance with the Code (said tenants to be referred to herein, collectively, as "50% AMGI low-income tenants"). Gross rents for these Low-Income Residential Units shall be restricted to no more than the allowable rent limit as established by the Arizona Department of Housing as published for the applicable year for the 50% AMGI low-income tenants, or the applicable Gross Rent Floor that was elected for the Project.

c) The remaining **fourteen (14)** Low-Income Units of the Project shall be required to be occupied (or treated as occupied as provided herein) by individuals or families whose income is **60%** or less of the area median gross income as determined in accordance with the Code. Gross rents for these Low-Income Residential Units shall be restricted to no more than the allowable rent limit as established by the Arizona Department of Housing as published for the applicable year for the 60% AMGI low-income tenants, or the applicable Gross Rent Floor that was elected for the Project.

d) The determination of whether an individual or family remains a low-income tenant at one of the AMGI levels specified in subparagraphs (a), (b), and (c), above ("a stated AMGI level"), shall be made at least annually on the basis of the current certified income of such the AMGI low-income tenant(s) and the current year applicable income limit. Any Low-Income Residential Rental Unit occupied by a individual or family who is at a stated AMGI level at the commencement of occupancy shall continue to be treated as if occupied by a qualifying low-income tenant so long as the qualifying tenant's income does not increase above 140% of the current year applicable income limit. For each qualifying tenant whose income subsequently exceeds 140% of the current year applicable income limit, such qualifying tenant's Low-Income Residential Rental Unit will continue to be treated as if occupied by a tenant with income at the stated AMGI level so long as during the period of noncompliance each available Low-Income Unit of a comparable or smaller size is rented to a tenant who is at the stated AMGI level. Once the percentage of Low-Income Units in the project (excluding the over-income units) equals the percentage of Low-Income Units set-aside for the stated AMGI level, failure to maintain the over-income units as low-income units has no significance.

Amenities and Design Features: The Owner acknowledges that the following amenities and design features will be included in the Project upon completion of construction:

e) Project parking will consist of **thirty-eight (38)** surface parking spaces.

f) Agreed upon Amenities for the project will be as follows:

Range	**Refrigerator**	**Dishwasher**
Disposal	**Kitchen Exhaust Fan**	**Microwave**
Air Conditioning	**Ceiling Fans**	**Window Coverings**
Washer & Dryer Hookups	**Patio/Balcony**	**Outside Secured Storage Closets**

g) Agreed upon Design Features specifically installed in the project include:

Community Room	**Common Laundry Area**	**Security Cameras**
Tenant Services	**BBQ Area**	**Pool and Sundeck**
Resident Business Center/Training Room/Computer Room	**Fitness/Exercise Room**	**Library**
Salon		

Agreed upon specific Tenant Services include:

Computer Training every two months	**Quarterly Financial Literacy Classes**	**On-site Food Pantry at no cost to residents**
On-site Weekly Transportation at no cost to residents	**Health Promotion/Disease Prevention/Wellness Classes or Blood Pressure or Other Health Screening every two months**	**On-site Resident Services Coordinator for a minimum of forty (40) hours per month**

h) Amenities not included in Basis:

Not Applicable		

ATTACHMENT III (EXAMPLE)

When recorded return to:

Arizona Department of Housing
Attn: Rental Program Administrator
1110 W. Washington Street, Suite 280
Phoenix, AZ 85007

FORM OF CONSENT AND SUBORDINATION AGREEMENT

THIS CONSENT AND SUBORDINATION AGREEMENT ("Agreement"), dated this _____ day of __________, 201__ is by and between [Lender], a [type of entity] and its successors and assigns (the "Lender") and the State of Arizona, Arizona Department of Housing, a constituent department and an agency of the State of Arizona, together with its successor and/or assignees to its rights, duties and obligations (the "Department"), and is acknowledged to by [name of owner] a [state] [type of entity] ("Owner").

RECITALS

A. The Department has been designated by the State of Arizona pursuant to Arizona Revised Statute Section 41-3901, *et seq.*, and by the Arizona Revised Statutes Section 35-728(B) and (E) as the designated housing credit agency for the State of Arizona for allocation of tax credits under the Low Income Housing Tax Credit program ("Tax Credits") as described in Sections 38(a) and 42 of the Internal Revenue Code of 1986, as amended and the United States Department of the Treasury Regulations (collectively the "Code");

B. The Owner is or shall acquire a fee or lessee's interest in a ____________ unit residential rental housing project located on lands within the City of _____________, County of ______________, State of Arizona.

C. In connection with the Owner's acquisition of its interest in the Project, the Lender made a loan in the original principal amount of $_______________ to Owner (the "Loan"). The Loan is evidenced by that certain promissory note in the original principal amount of $_________________ made by the Owner to the order of the Lender (the "Note");

D. The Owner's repayment of the Loan and performance of the terms of the Note is secured by a lien on the Project created by that certain Deed of Trust, Assignment of Rents and Security Agreement dated ____________, 201__ and recorded on ____________, 201__ in the official records of the State of Arizona, County of _______________ Recorder's Office at Instrument No. ____________________ (the "Deed of Trust") (the Note, the Deed of Trust and each and every other document and instrument executed by the Owner in connection with the making of the Loan by the Lender are collectively referred to as the "Lender Loan Documents");

E. The Department and the Owner have entered into that certain Declaration of Affirmative Land Use And Restrictive Covenants Agreement dated _____________, 201_, and recorded in the official records of the State of Arizona, County of _____________ Recorder's Office, Instrument No. _________________ (the "Declaration") pursuant to which, under the terms of the Declaration, the Department shall allocate federal tax credits under the Low Income Housing Tax Credit program ("Tax Credits") as described in Sections 38(a) and 42 of the Internal Revenue Code of 1986, as amended (collectively, the "Code") to the Project;

F. The allocation of the Tax Credits to the Project by the Department is of material benefit to the Lender;

G. Certain provisions of the Declaration are required by federal law to protect the rights of the Project's tenants in the event the Project is acquired by foreclosure or instrument in lieu of foreclosure; and

H. The Department requires the execution and delivery of this Agreement by the Lender and the Owner as a condition to the Department's entering into the Declaration.

NOW, THEREFORE, in consideration of the premises and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Accuracy of the Recitals. The parties hereby acknowledge the accuracy of the Recitals which are incorporated herein by this reference.

2. Consent to Execution. The Lender hereby consents to the execution by the Owner of the Declaration.

3. Subordination. The Lender hereby subordinates its lien(s) to the rights and interests created pursuant to paragraph 9(b) of the Declaration.

4. Acknowledgment and Agreement Regarding Three-Year Period After Termination. The Lender acknowledges and agrees that pursuant to paragraph 9(a) of the Declaration, the Declaration will terminate on the date the project is acquired by foreclosure or instrument in lieu of foreclosure (unless it is determined that such acquisition is part of an arrangement with the Owner a purpose of which is to terminate such period); provided, however, Lender hereby acknowledges and agrees that the acquisition of the Project by any party by foreclosure or instrument in lieu of foreclosure shall be subject to the provisions of paragraph 9(b) of the Declaration, which provisions shall continue in full force and effect for a period of three (3) years from the date of such acquisition; provided, further, that such provisions shall not apply during such period if and to the extent that compliance therewith is not possible as a consequence of damage, destruction, condemnation or similar event with respect to the Project.

5. Lender Loan Documents. The Lender agrees that should any provision of any Lender Loan Document purport to limit or impair any rights of the Department under paragraph 9(b) of the Declaration, then such provision shall be null and void and of no force and effect.

6. Absolute Subordination. The Department shall have absolutely no duty or responsibility, and the priority of the provisions of Paragraph 9(b) of the Declaration over the Lender Loan Documents shall in no way be affected or diminished by any failure of the Department, regarding any act or omission by the Department relating to the provisions of paragraph 4 of the Declaration, the Owner or otherwise.

7. Controlling Instrument. In the event of any conflict between this Agreement and any of the Lender Loan Documents, this Agreement shall control.

8. Successors, Assigns and Participants. This agreement applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, participants, successors and assigns.

9. Counterparts. This agreement may be executed in any one or more counterparts, each of which in the aggregate shall constitute one and the same Agreement.

10. Governing Law. This Agreement shall be controlled by, governed in accordance with and enforced under the internal laws of the State of Arizona without regard to conflicts of law principles.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative as of the day and year first above written.

AGREED:

SENIOR LENDER

[Lender], a [state][entity type]

By: ______________________________
Lender's Authorized Signature
Name: [Print Name, Authority]

ACKNOWLEDGED:

OWNER

[Owner], a [state][entity type]
By: [G.P. or MM], a [state][entity type] its General Partner[Managing Member][Sole Member]

By: ______________________________
Owner's Signature
Name: [Print Name, Authority]

THE DEPARTMENT

____
Carol L. Ditmore, Director
or Andrew Rael, Assistant Deputy Director/Programs
or Reginald H. Givens, Assistant Deputy Director/Operations

ACKNOWLEDGEMENTS ON THE FOLLOWING PAGE:

STATE OF ___________)
) ss
County of ___________)

On this the _______ day of ___________, 201___, before me, a Notary Public, personally appeared ________________________, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

Notary Expiration Date	Signature of the Notary Public for the Lender

[STAMP/SEAL]

STATE OF ___________)
) ss
County of ___________)

On this the _______ day of ___________, 201___, before me, a Notary Public, personally appeared ______________________, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

Notary Expiration Date	Signature of the Notary Public for Owner

[STAMP/SEAL]

STATE OF ARIZONA)
) ss
County of Maricopa)

On this the _______ day of ___________, 201___, before me, a Notary Public, personally appeared ___________________, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

Notary Expiration Date	Signature of the Notary Public for the Department

[STAMP/SEAL]

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
ADRIAN FONTES
20180663534 08/31/2018 04:14
ELECTRONIC RECORDING

WHEN RECORDED, RETURN TO:
City of Phoenix Housing Department
251 West Washington Street, 4th Floor
Phoenix, Arizona 85003
Attn: Deputy Director, Development Section

98492-9-8-7--
Garciac

6/7

148326-DEC-001

DECLARATION OF AFFIRMATIVE LAND USE RESTRICTIVE COVENANTS FOR HOME LOAN PROCEEDS

THIS DECLARATION OF AFFIRMATIVE LAND USE RESTRICTIVE COVENANTS FOR HOME LOAN PROCEEDS ("Declaration") dated this 1st day of August, 2018 is between Revello Housing, LLC, an Arizona limited liability company, whose address is 201 Bradenton Ave, Suite 120 Dublin, Ohio 43017 (the "Owner"), and the City of Phoenix, Arizona, an Arizona municipality, whose address is 251 West Washington Street, 4th Floor, Phoenix, Arizona 85003 (the "City").

RECITALS

WHEREAS, pursuant to the HOME Investment Partnerships Act ("HOME"), established under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, the City has applied for and received HOME funds for certain eligible activities;

WHEREAS, the City and the Owner have entered into a HOME Program Development Loan Agreement, dated as of the 1st day of August, 2018, which establishes certain terms of participation by both of the parties thereto (the "Agreement");

WHEREAS, the Owner is the owner of a certain multifamily residential rental housing project located at 1600 W Camelback Road, Phoenix, Arizona 85015 within the City of Phoenix, County of Maricopa, and State of Arizona, the legal description of which is more particularly set forth in ***Exhibit A*** hereto (the "Property"); and

WHEREAS, it is necessary for the Owner and the City to enter into an agreement regarding certain deed restrictions as a condition for the receipt of the HOME funds;

AGREEMENT

NOW, THEREFORE, the parties, for and in consideration of the receipt of the HOME funds, and such other covenants and conditions herein contained, do hereby agree for themselves, their heirs, executors, administrators, successors, and assigns, as follows:

1. <u>Antidiscrimination Restrictions</u>. The Owner will not illegally or unconstitutionally discriminate against or segregate any person or group of persons on account of gender, gender identity, sexual orientation, marital status, race, age, disability, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor will the Owner establish or permit any such practice or practices of

discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

2. Affordability Restrictions.

2.1. The Owner covenants and agrees that for a period of time commencing from the date this Declaration is executed by the Owner and expiring 20 years from the date of the completion of the project stated in the Certificate of Completion (as defined in ***Section 6.34*** of the Agreement) is recorded (the "HOME Program Period of Affordability"), the Owner and such of its successors and assigns as the City approves in writing, will use the HOME Units (as defined in ***Section 6.23*** of the Agreement) solely to provide affordable housing to Very Low Income Families (as defined in ***Section 1.1*** of the Agreement) and otherwise comply with the requirements of the HOME Program and the provisions of this ***Section 2***.

2.2. In addition, the Owner covenants and agrees that for a period of time commencing from the date the HOME Program Period of Affordability terminates and expiring upon the later of (a) 20 years from the date the HOME Program Period of Affordability terminates or (b) final payment on the Loan (the "Extended Period of Affordability"), the Owner and such of its successors and assigns as the City approves in writing will use the HOME Units solely to provide affordable housing to Very Low Income Families and otherwise comply with the tenant income restrictions, rent restrictions and the other provisions of this ***Section 2***.

2.3. HOME Units.

2.3.1. Eight of the rental units will be occupied by physically disabled and elderly; low or very low income families. "Very Low Income Families" are families whose annual income, at the time of initial occupancy, does not exceed 50% of the Median Family Income for the Phoenix Standard Metropolitan Statistical Area, as determined by HUD with adjustments for family size (the "Phoenix Median Family Income"). The HOME Units must have the following unit characteristics: six (6) one-bedroom units, two (2) one-bedroom units. The HOME Units are designated by the City as floating units pursuant to ***24 C.F.R. 92.252(j)***.

2.3.2. The rent charged for the HOME Units will not exceed the lesser of:

2.3.2.1. 30% of 50% of the Phoenix Median Family Income, or

2.3.2.2. the fair market rent for existing housing for comparable units in the area as established by HUD under 24 C.F.R. § 888.111, less the monthly allowance for utilities and services (excluding telephone) to be paid by the tenant.

2.3.2.3. Or the City of Phoenix published rents.

2.4. City Restricted Units. Eight of the rental units will be occupied by persons who meet the income restrictions set forth in ***Section 2.3.1***, with the following unit characteristics: six (6) one-bedroom units, and two (2) two-bedroom units. The City Restricted Units are designated by the City as floating units. During the Extended Period of Affordability, the rents charged on the City Restricted Units at the Property will comply with the rent limitations set forth in ***Section 2.3.2***.

2.5. For purposes of this Declaration, the terms "family" and "families" have the same meaning given those terms in 24 C.F.R. Part 5. For the purposes of this Declaration, a family's income will be determined in accordance with 24 C.F.R. § 5.609.

2.6. The HOME Units and the City Restricted Units may not be refused for leasing to a holder of a certificate or voucher under 24 C.F.R. Part 982 or to the holder of a comparable document evidencing participation in a SECTION 8 tenant-based assistance program because of the status of the prospective tenant as a holder of such certificate or voucher, or comparable SECTION 8 tenant-based assistance document.

2.7. Enforcement of the provisions of this Declaration will not result in any claim against the Project, the Loan proceeds, or the rents or other income from the Property.

3. Covenants Run with the Land; Successor Bound Thereby. Upon execution and delivery by the Owner, the Owner will cause this Declaration and all amendments and exhibits hereto to be recorded and filed in the official records of the county recorder's office in which the Property is located, and pay all fees and charges incurred in conjunction with the recording of this Declaration and all addenda or amendments thereto. Upon recording, the Owner will immediately transmit or cause to be sent directly to the City an executed original of the recorded Declaration showing the date of recording and the Recorder's Number.

THE OWNER INTENDS, DECLARES AND COVENANTS, ON BEHALF OF ITSELF AND ALL FUTURE OWNERS AND OPERATORS OF THE PROPERTY THAT, DURING THE TERM OF THIS DECLARATION, ALL OF THE COVENANTS AND RESTRICTIONS SET FORTH IN THIS DECLARATION REGULATING AND RESTRICTING THE USE, OCCUPANCY AND TRANSFER OF THE PROPERTY (I) WILL BE AND ARE COVENANTS RUNNING WITH THE PROPERTY, ENCUMBERING THE PROPERTY, AND ARE BINDING UPON THE OWNER'S SUCCESSORS IN TITLE AND ALL SUBSEQUENT OWNERS AND OPERATORS OF THE PROPERTY, (II) ARE NOT MERELY PERSONAL COVENANTS OF THE OWNER, AND (III) WILL BIND THE OWNER AND ITS RESPECTIVE SUCCESSORS AND ASSIGNS DURING THE TERM OF THIS DECLARATION. THE OWNER HEREBY AGREES THAT ANY AND ALL REQUIREMENTS OF THE LAWS OF THE STATE OF ARIZONA TO BE SATISFIED IN ORDER FOR THE PROVISIONS OF THIS DECLARATION TO CONSTITUTE DEED RESTRICTIONS AND COVENANTS RUNNING WITH THE LAND WILL BE DEEMED TO BE SATISFIED IN FULL, AND THAT ANY REQUIREMENTS FOR PRIVITY OF ESTATE OR TITLE ARE INTENDED TO BE SATISFIED HEREBY, OR IN THE ALTERNATIVE, THAT AN EQUITABLE SERVITUDE HAS BEEN CREATED TO ENSURE THAT THESE RESTRICTIONS WILL RUN WITH THE LAND. FOR THE TERM OF THIS DECLARATION, EACH AND EVERY CONTRACT, DEED OR OTHER INSTRUMENT HEREAFTER EXECUTED CONVEYING THE PROPERTY OR ANY PORTION THEREOF WILL EXPRESSLY PROVIDE THAT SUCH CONVEYANCE IS SUBJECT TO THIS DECLARATION; PROVIDED, HOWEVER, THAT THE COVENANTS CONTAINED HEREIN WILL SURVIVE AND BE EFFECTIVE REGARDLESS OF WHETHER SUCH CONTRACT, DEED, OR OTHER INSTRUMENT HEREAFTER EXECUTED CONVEYING THE PROPERTY OR ANY PORTION THEREOF PROVIDES THAT SUCH CONVEYANCE IS SUBJECT TO THIS DECLARATION.

4. Amendment. No amendment to this Declaration may be made without the prior written approval of the Owner and the City. The Owner hereby expressly agrees to enter into all amendments hereto which, in the opinion of counsel for the City, are reasonably necessary or desirable for maintaining compliance with the HOME Investment Partnerships Act.

5. Notices. All notices, requests, demands and consents to be made hereunder to the parties hereto must be in writing and must be delivered by hand or sent by registered mail or certified mail, postage prepaid, return receipt requested, through the United States Postal Service to the following addresses:

To City:

City of Phoenix
Housing Department
251 West Washington Street, 4th Floor
Phoenix, Arizona 85003
Attn: Deputy Director, Development Section

With a copy to:

City of Phoenix
Law Department
200 West Washington Street, Suite 1300
Phoenix, Arizona 85003
Attn: City Attorney

To Owner:

Revello Housing, LLC
c/o Bethel Development, Inc.
201 Bradenton Avenue
Dublin, OH 43017
Attn: Daniel N. Terlecki

Barnes & Thornburg LLP

41 South High Street, Suite 3300
Columbus, OH 43215
Attn: Holly H. Heer, Esq.

Bank of America, N.A.
MA1-225-02-02
225 Franklin Street
Boston, MA 02110
Attention: Asset Management

Buchalter, a Professional Corporation
1000 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017
Attn: Michael A. Williamson, Esq.
Facsimile: (213) 630-5799

Matter No: B0965-0380

The Owner and the City may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications must be sent.

6. Governing Law. This Declaration will be governed by the laws of the State of Arizona and, where applicable, the laws of the United States of America.

7. Release. Upon the expiration of the term hereof, the City agrees to promptly execute and deliver to Owner, a release of this Declaration duly executed and in recordable form for filing in the County Recorder's Office.

[Signature page follows]

IN WITNESS WHEREOF, the foregoing instrument was executed by the parties hereto effective as of the date first above written.

Owner:

REVELLO HOUSING, LLC, an Arizona limited liability company

By: Revello MM, LLC, an Arizona limited liability company
Its: Managing Member

By: Bethel Development, Inc.
Its: Managing Member

By: ______________________

Daniel N. Terlecki, President

Date: 8-29-18

State of Ohio)
) ss.
County of Franklin)

The foregoing instrument was acknowledged before me this the 29th day of August 2018, by Daniel N. Terlecki, President of Bethel Development, Inc., the managing member of Revello MM, LLC, the managing member of Revello Housing LLC, an Arizona limited liability company, on behalf of the limited liability company.

Notary Public

My Commission will expire:
4-24-2020

NOTARIAL SEAL
STATE OF OHIO

Roger Simmons
Notary Public, State of Ohio
My Commission Expires 04-24-2020

City: City of Phoenix, Arizona, a municipal corporation

Ed Zuercher, City Manager

By: ______________________________

Cindy Stotler

Director, Housing Department

Attest:

____

ACTING City Clerk

Approved as to form:

____

Acting City Attorney

State of Arizona)
) ss.
County of Maricopa)

This Declaration, consisting of _____ pages plus an attached Exhibit A, and signed by __ ______and Cindy Stotler, was acknowledged before me this date by Cindy Stotler, the Director of the Housing Department of the City of Phoenix, on behalf of the City Manager on behalf of the City of Phoenix.

Notary Public

My Commission Expires:

12/29/2021

LYDIA M MARTINEZ
NOTARY PUBLIC, ARIZONA
MARICOPA COUNTY
My Commission Expires
December 29, 2021

Notice required by A.R.S. § 41-313: The foregoing notarial certificate relates to the Declaration made as of the 29th day of Aug. 2018, executed by Revello Housing, LLC, an Arizona limited liability company, and the City of Phoenix, Arizona (the "Notarized Document"). The Notarized Document contains a total of ___1 pages, inclusive of all schedules, exhibits, attachments and this notarial certificate.

2018 AUG 29 AM 8:43

CITY CLERK DEPT.

Exhibit A

to Declaration Of Affirmative Land Use Restrictive Covenants For Home Loan Proceeds

Legal Description

PARCEL NO. 1:

Lot 13, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona;

EXCEPT the North 297.60 feet thereof; and

EXCEPT the South 200 feet thereof; and

EXCEPT the East 25 feet thereof; and

EXCEPT the North 55 feet of the South 360 feet thereof,

PARCEL NO. 2:

The South 200 feet of Lot 13, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona;

EXCEPT the East 25 feet and the South 7 feet thereof and

EXCEPT that part described as follows:

BEGINNING at the intersection of the North line of the South 7 feet of said Lot 13, with the West line of the East 25 feet of said Lot 13;

Thence Northerly along the said West line, a distance of 5 feet;

Thence Southwesterly to a point on the North line thereof, which is 5 feet Westerly from the said POINT OF BEGINNING;

Thence to the TRUE POINT OF BEGINNING; and

EXCEPT that part described as follows:

A part of Lot 13, Block 4, NILE TRACT, according to Book 14, of Maps, page 9, records of Maricopa County, Arizona, more particularly described as follows;

Commencing at the intersection of 16th Avenue and Camelback Road;

Thence North 00 degrees 24 minutes 39 seconds East along the centerline of 16th Avenue, a distance of 71.02 feet;

Thence North 89 degrees 35 minutes 21 seconds West a distance of 25.00 feet to the POINT OF BEGINNING;

Thence South 00 degrees 24 minutes 39 seconds West a distance of 25.69 feet;

Thence South 45 degrees 48 minutes 35 seconds West a distance of 7.03 feet;

Thence North 88 degrees 50 minutes 37 seconds West a distance of 141.79 feet;

Thence North 00 degrees 28 minutes 08 seconds East a distance of 12.24 feet;

Thence South 88 degrees 52 minutes 07 seconds East a distance of 128.47 feet;

Thence North 45 degrees 38 minutes 41 seconds East a distance of 25.78 feet to the POINT OF BEGINNING.

PARCEL NO. 3:

The North 100 feet of the South 300 feet of Lot 12, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona.

PARCEL NO. 4:

The East 5 feet of the South 200 feet of Lot 12, Block 4, of NILE TRACT, according to Book 14 of Maps, Page 9, records of Maricopa County, Arizona;

EXCEPT the South 7 feet thereof.