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10/16/2009 01:53:16 PM

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\$45.00 \$11.00 \$16.00 \$10.00 \$6.00

RECORDING REQUESTED BY
AND WHEN RECORDED, MAIL TO:
Oregon Housing and Community
Services Department
Multifamily Housing Section
725 Summer St NE Ste B
Salem, Oregon 97301-1266
Attn: Shelly Cullin, Senior Loan Officer

SPACE ABOVE FOR RECORDER'S USE

**OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT
OREGON AFFORDABLE HOUSING TAX CREDIT PROGRAM
DECLARATION OF LAND USE RESTRICTIVE COVENANTS**

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS, (this "Declaration"), dated as of October 14th, 2009, by Green Pastures Senior Cooperative, an Oregon nonprofit cooperative, and its successors and assigns (the "owner") is given as a condition precedent to the award of Oregon Affordable Housing Tax Credits (OAHTC) by the Oregon Housing and Community Services Department, a governmental agency of the State of Oregon, together with any successor to its rights, duties, and obligations, (the "Department").

WITNESSETH:

WHEREAS, the owner is or shall be the owner of a 51-unit manufactured dwelling park located on lands in the City of Redmond, Oregon, County of Deschutes, State of Oregon, more particularly described in Exhibit A hereto, known as or to be known as Green Pastures Senior Park (the "Project"); and

WHEREAS, the Department has been designated by the Governor of the State of Oregon as the administering agency for the State of Oregon for the OAHTC Program; and

WHEREAS, the Owner has applied to the Department and received OAHTC on the loan for the Project in an amount not to exceed One Million Fifty Thousand dollars (\$1,050,000); and

WHEREAS, the Owner has represented to the Department in the Owner's OAHTC Application (the "Application") dated July 31, 2009, that the Owner shall lease/rent Project's units to individuals or families living in a "Manufactured Dwelling Park".

WHEREAS, the Owner, under this Declaration, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy, and transfer of the Project shall be covenants running with the land and Project for the term stated herein and binding upon all subsequent owners of the Project for such term, and are not simply personal covenants of the Owner.

accepted for condition of title or validity, sufficiency or affect of document.

13131

NOW, THEREFORE, in consideration of the promises and covenants hereinafter set forth and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and the Department agree as follows:

SECTION 1 - DEFINITIONS

All the words and phrases used in this Declaration shall have the same meaning as when used in IRC Section 42, ORS 317.097, Oregon Department of Revenue Administrative Rule 150, and the OAHTC Administrative Rules (813-110) unless the context requires otherwise.

"Rents Charged at the Market Interest Rate" means the rents that would be required, if the lender charged the market interest rate, in order to make the project financially feasible.

"Manufactured Dwelling Park" has the meaning given that term in ORS 446.003. It is any place where four or more manufactured dwellings are located within 500 feet of one another on a lot, tract or parcel of land under the same ownership, the primary purpose of which is to rent or lease space or keep space for rent or lease to any person for a charge or fee paid or to be paid for the rental or lease or use of facilities or to offer space free in connection with securing the trade or patronage of such person. "Manufactured dwelling park" does not include a lot or lots located within a subdivision being rented or leased for occupancy by no more than one manufactured dwelling per lot if the subdivision was approved by the local government unit having jurisdiction under an ordinance adopted pursuant to ORS 92.010 to 92.190.

"Unit" as it relates to a Manufactured Dwelling Park will include the individual Manufactured Dwelling as well as the space on which the dwelling is located.

SECTION 2 - RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

- (a) Upon execution of this Declaration by the Owner and the Department, the Owner shall cause this Declaration and all amendments hereto to be recorded and filed in the official public land deed records of the county in which the Project is located, and shall pay all fees and charges incurred in connection therewith. Upon recording, the Owner shall immediately transmit to the Department an executed original or certified copy of the recorded Declaration showing the date, deed book and page numbers of record.
- (b) The Owner intends, declares, and covenants, on behalf of itself and all future Owners and Operators of the Project during the term of this Declaration, that this Declaration and the covenants and restrictions set forth in this Declaration regulating and restricting the use, occupancy and transfer of the Project (I) shall be and are covenants running with the Project, including the land thereof, encumbering the Project for the term of this Declaration, binding upon the Owner's successors in title and all subsequent Owners and Operators of the Project; (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 tenant of the Project) 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 Oregon to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privileges of estate are intended to be satisfied, or in the

alternate, that an equitable servitude has been created to insure that these restrictions run with the Project for the term of this Declaration. The covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed conveying the Project or portion thereof provides that such conveyance is subject to this Declaration.

- (c) The Owner covenants to obtain the consent of any prior recorded lienholder on the Project to this Declaration.

SECTION 3 - REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE OWNER

The Owner hereby represents, covenants, and warrants as follows:

- (a) The Owner (I) is an Oregon nonprofit cooperative duly organized under the laws of the State of Oregon, and is qualified to transact business under the laws of the State of Oregon, (II) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (III) has the full legal right, power and authority to execute and deliver this Declaration.
- (b) The execution and performance of this Declaration by the Owner (I) will not violate or, as applicable, has not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, (II) will not violate or, as applicable, has 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 encumbrance of any nature.
- (c) The Owner will, at the time of execution and delivery of this Declaration, have good and marketable title to the premises constituting the Project free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Declaration, any Loan Documents relating to the Project or other permitted encumbrances).
- (d) There is 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 its right to carry on business substantially as now conducted (and as now contemplated by this Declaration) or would materially adversely affect its financial condition.
- (e) The Project constitutes or will constitute a qualified manufactured dwelling park project, as applicable, as provided for in Oregon Administrative Rules (Chapter 813, Division 110) and applicable regulations.
- (f) RESERVED
- (g) The Owner agrees that all statements in the Application are true, correct and complete, and that the statements are made expressly for the benefit of the State of Oregon, acting by and through the Department, or otherwise, and the Tenants of the Project.

- (h) Subject to the requirements of ORS 317.097, OAR 813-110 and this Declaration, the Owner may sell, transfer, or exchange the entire Project at any time, but the Owner shall notify in writing and obtain the agreement or any interest therein that such acquisition is subject to the requirements of this Declaration. This provision shall not act to waive any other restriction on sale, transfer, or exchange of the Project or any portion of the Project. The Owner agrees that the Department may void any sale, transfer, or exchange of the Project if the buyer or successor or other person fails to assume in writing the requirements of this Declaration and the requirements of ORS 317.097 and OAR 813-110.
- (i) The Owner agrees to notify the Department in writing prior to any sale, transfer, or exchange of the entire Project or any portion of the Project.
- (j) The Owner shall not demolish any part of the Project, substantially subtract from any real or personal property of the Project, or permit the use of any residential rental unit for any purpose other than rental housing during the term of this Declaration unless required by law or unless the department has given its prior written consent.
- (k) The Owner represents, warrants, and agrees that if the Project, or any part thereof, shall be damaged, destroyed, shall be condemned, or acquired for public use, the Owner will use its best efforts, subject to the rights of any mortgagee, to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Declaration.
- (l) The Owner warrants that it has not and will not execute any other Declaration with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Declaration are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.

SECTION 4 - INCOME RESTRICTIONS; RENTAL RESTRICTIONS

The Owner represents, warrants, and covenants throughout the term of this Declaration that;

- (a) The units shall be leased, rented or made available to members of the general public who own their own manufactured dwelling.

SECTION 5 - TERM OF DECLARATION

- (a) Except as hereinafter provided, this Declaration shall commence immediately upon recordation and the Owner shall comply with all restrictive covenants herein not later than the first day in the Project period on which any building which is part of the Project is placed in service and this Declaration shall terminate upon the expiration of the tax credit. Notwithstanding the foregoing, this Declaration shall terminate on the date the Project is acquired by foreclosure or instrument in lieu of foreclosure.

SECTION 6 - ENFORCEMENT OF DEPARTMENT'S OCCUPANCY RESTRICTIONS

- (a) The owner agrees to permit, during normal business hours and upon reasonable notice, any duly authorized representative of the Department, to inspect any books and records of the Owner regarding the project with respect to the incomes of the tenants which pertain to compliance with the Department's Occupancy Restrictions specified in this Declaration.
- (b) The Owner shall submit any other information, documents, or certifications requested by the Department which the Department shall deem reasonably necessary to substantiate the Owner's continuing compliance with the provisions of the Department's Occupancy Restrictions specified in this Declaration.

SECTION 7 - COMPLIANCE OF OCCUPANCY RESTRICTIONS

- (a) The Owner covenants that it will not violate or permit any action that would result in a violation of the requirements of the OAHTC program, its applicable Law, including, but not limited to ORS chapters 317 and 456, all related Administrative Rules, and the requirements of this Declaration. Moreover, the Owner covenants that it will not violate or permit any action that would result in a violation of (and further covenants to take any lawful action, including amendment of this Declaration as may be necessary, in the opinion of the Department to comply fully with) all applicable laws, rules, rulings, policies, procedures, regulations or other official statements promulgated by HUD, the United States Department of the Treasury and the Internal Revenue Service, as well as any rules, rulings, policies, procedures, regulations or other official statements proposed and published from time to time by HUD, pertaining to the Owner's obligations and affecting the Project.
- (b) The Owner acknowledges that a primary purpose for requiring compliance by the Owner with restrictions provided in this Declaration is to assure compliance of the Project and the Owner with the OAHTC program regulations,, AND BY REASON THEREOF, THE OWNER IN CONSIDERATION FOR RECEIVING OAHTC FOR THIS PROJECT HEREBY AGREES AND CONSENTS THAT THE DEPARTMENT AND ANY INDIVIDUAL WHO MEETS THE INCOME LIMITATION APPLICABLE UNDER THE OAHTC PROGRAM (WHETHER PROSPECTIVE, PRESENT OR FORMER OCCUPANT) 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 DECLARATION IN A STATE COURT OF COMPETENT JURISDICTION. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.
- (c) The Owner hereby agrees that the representations and covenants set forth herein may be relied upon by the Department and all persons interested in Project and owner compliance under the applicable regulations.
- (d) The Owner agrees to take any and all actions reasonably required by the Department to substantiate the Owner's compliance with occupancy and rent restrictions as now constituted or subsequently amended and other occupancy and rent restrictions of the Department as now constituted or subsequently adopted and will

pay promptly a reasonable fee to the Department for the Department's monitoring of the Owner's compliance based upon the Department's monitoring costs.

- (e) This Declaration may be enforced by the Department or its designee in the event the Owner fails to satisfy any of the requirements herein. In addition, the occupancy and rent restrictions of this Declaration shall be deemed a contract enforceable by one or more tenants as third-party beneficiaries of this Declaration. In the event the Owner fails to satisfy the requirements of this Declaration and legal costs are incurred by the Department or one or more of the tenants or beneficiaries, such legal costs, including attorney fees and court costs (including costs of appeal), are the responsibility of, and may be recovered from, the Owner.

SECTION 8 - MISCELLANEOUS

- (a) Severability. The invalidity of any clause, part, or provision of this Declaration shall not affect the validity of the remaining portions thereof.
- (b) Notices. All notices to be given pursuant to this Declaration 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: Oregon Housing and Community Services Department
 ATTN: OAHTC PROGRAM
 725 Summer St NE Ste B
 Salem, Oregon 97301-1266

To the Owner: Green Pastures Senior Cooperative
 ATTN: Al Ackerman, President
 PO Box 1915
 Redmond, OR 97756

To the Consultant: CASA of Oregon
 212 East 1st Street
 Newberg, OR 97132

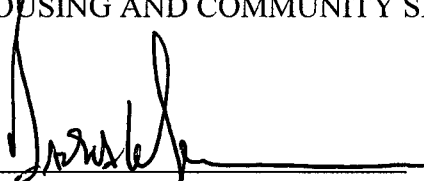
The Department, and the Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

- (c) Amendment. The Owner agrees that it will take all actions necessary to effect amendment of this declaration as may be necessary to comply with the IRC, any and all applicable rules, regulations, policies, procedures, rulings, or other official statements pertaining to the Credit. The Department, together with the Owner, may execute and record any amendment or modification to this Declaration and such amendment or modification shall be binding on third-parties granted rights under this Declaration.

- (d) Subordination of Declaration. This Declaration and the restrictions hereunder are subordinate to the permanent loan documents, and secondary loan documents, on the Project in an original principal amount not to exceed \$1,600,000. The Department may subordinate this Declaration to other financing, in its sole discretion, and such subordination shall be binding on all third-parties granted rights under this Declaration.
- (e) Governing Law. This Declaration shall be governed by the laws of the State of Oregon and, where applicable, the laws of the United States of America.
- (f) Survival of Obligations. The obligations of the Owner as set forth herein and in the Application shall survive the certification of the Credit and shall not be deemed to terminate or merge with the certification.

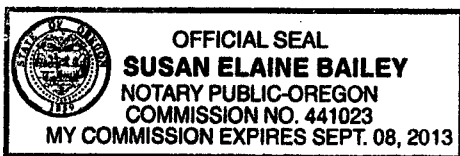
IN WITNESS WHEREOF, the Owner has caused this Declaration to be signed by its duly authorized representatives, as of the day and year first written above.


DEPARTMENT: OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT

By: 
 Name: David W. Summers
 Title: Manager, Multifamily Housing Section
 Date: 10-8-09

STATE OF OREGON)
)
 County of Marion)

This instrument was acknowledged before me this 8th day of October, 2009, by David W. Summers, Manager of the Multifamily Housing Section of Oregon Housing and Community Services, on behalf of the Department.




 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 9/8/13

OWNER:

GREEN PASTURES SENIOR COOPERATIVE, an
Oregon nonprofit cooperative

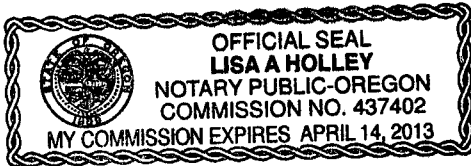
Tax ID#: 80-0214393

By: *Al Eckerman*
Name: Al Eckerman, President
Date: *October 14, 2009*

By: *Richard Martin*
Name: Richard Martin, Secretary
Date: *October 14, 2009*

STATE OF OREGON)
County of *Deschutes*)

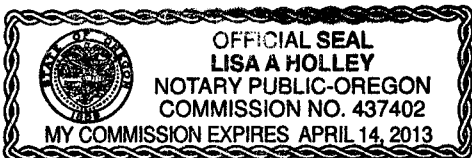
This instrument was acknowledged before me this *14th* day of *Oct*, 20*09*, by *Al Eckerman*
of _____



Lisa A. Holley
NOTARY PUBLIC FOR OREGON
My Commission Expires: *4-14-2013*

STATE OF OREGON)
County of *Deschutes*)

This instrument was acknowledged before me this *14th* day of *Oct*, 20*09*, by *Richard*
Martin of _____



Lisa A. Holley
NOTARY PUBLIC FOR OREGON
My Commission Expires: *4-14-2013*

Exhibit A

Legal Description

A parcel of land situate in a portion of the Southwest Quarter of the Southeast Quarter (SW1/4 SE1/4) of Section 17, Township 15 South, Range 13 East of the Willamette Meridian, City of Redmond, Deschutes County, Oregon, more particularly described as follows:

Commencing at the South Quarter corner of Section 17, Township 15 South, Range 13 East of the Willamette Meridian; thence North 88°54'00" East along the South line of Section 17, 57.00 feet to the centerline of the Central Oregon Irrigation District's (C.O.I.D.) Lateral "C"; thence North 08°26'21" East for 25.35 feet to the true point of beginning; thence North 08°26'21" East for 584.62 feet; thence South 86°44'00" East for 339.44 feet; thence South 04°11'54" West for 125.97 feet; thence South 67°10'39" East for 104.65 feet; thence South 67°32'05" East for 232.32 feet; thence South 83°04'13" East for 317.06 feet; thence South 01°06'00" East for 245.65 feet; thence South 88°54'00" West for 1046.27 feet, to the true point of beginning.