

Exhibit A



Nashville Planning Department
 800 2nd Ave S
 P.O. Box 196300
 Nashville, TN 37219-6300
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Parcel Details	
Parcel ID:	03413008100
Parcel Address:	155 WELWORTH ST MADISON, TN 37115
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	7/27/2015
Sale Price:	\$ 8,145.00
Sale Instrument:	CR-20150825 0086020
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 14 BLK A EASTLAWN
Acreage:	0.15
Frontage Dimension:	50
Side Dimension:	120
Parcel Instrument:	DB-00004791 0000974
Parcel Instrument Date:	2/20/1974
Census Tract:	37010401
Tax District:	GSD
Council District:	10
Land Use Description:	VACANT RESIDENTIAL LAND

Metro GIS	

Zoning		Hide
Zone Code	RS7.5	
Zone Description	Medium density residential, requiring a minimum 7,500 square foot lot and intended for single-family dwellings at a density of 4.94 dwelling units per acre.	
Effective Date	1/1/1998	
Ordinance	096-555	
Case Number		
Zone Code	R8	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 8,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 5.79 DWELLING UNITS PER ACRE.	
Effective Date	12/23/1974	
Ordinance	073-650	
Case Number		

Owner History	Show
Property History	Show
Assessments	Show

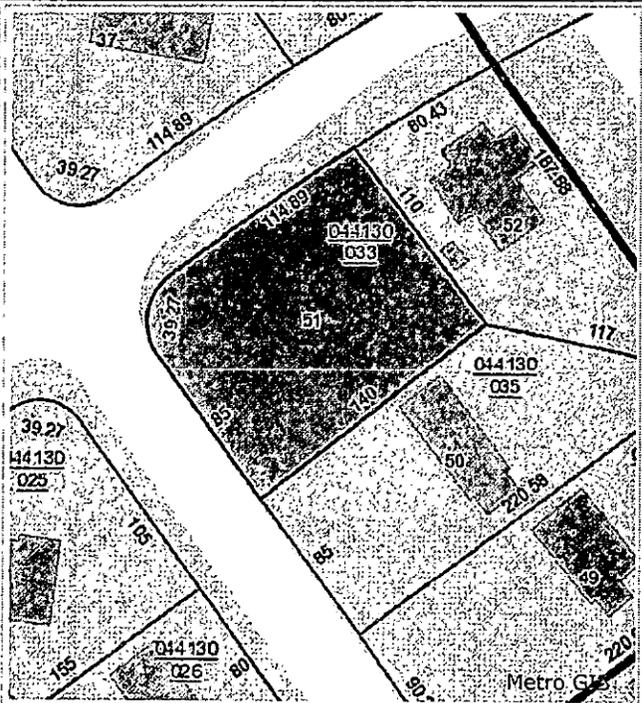


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Parcel Details	
Parcel ID:	04413003300
Parcel Address:	113 BENNETT DR OLD HICKORY, TN 37138
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	5/14/2015
Sale Price:	\$ 4,116.00
Sale Instrument:	CR-20150702 0064007
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 51 SEC 3 THE KNOLL
Acreage:	0.35
Frontage Dimension:	115
Side Dimension:	110
Parcel Instrument:	DB-00004642 0000604
Parcel Instrument Date:	9/27/1972
Census Tract:	37010501
Tax District:	GSD
Council District:	11
Land Use Description:	VACANT RESIDENTIAL LAND

Zoning	
Zone Code:	OV-AIR
Zone Description:	
Effective Date:	12/23/1974
Ordinance:	073-650
Case Number:	
Zone Code:	R10
Zone Description:	LOW-MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 10,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 4.63 DWELLING UNITS PER ACRE.
Effective Date:	12/23/1974
Ordinance:	073-650
Case Number:	

Owner History	Show
Property History	Show
Assessments	Show





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Parcel Details	
Parcel ID:	05800001400
Parcel Address:	4507 EATONS CREEK RD NASHVILLE, TN 37218
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	1/8/2014
Sale Price:	\$ 15,787.00
Sale Instrument:	CR-20140214 0012976
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	W SIDE EATONS CREEK RD, S OF SULPHUR CREEK RD
Acreage:	2
Frontage Dimension:	0
Side Dimension:	0
Parcel Instrument:	DB-00004000 0000870
Parcel Instrument Date:	3/24/1966
Census Tract:	37013100
Tax District:	GSD
Council District:	01
Land Use Description:	VACANT RURAL LAND

Zoning		Hide
Zone Code:	AR2A	
Zone Description:	AGRICULTURAL/RESIDENTIAL REQUIRES A MINIMUM LOT SIZE OF 2 ACRES AND INTENDED FOR USES THAT GENERALLY OCCUR IN RURAL AREAS, INCLUDING SINGLE-FAMILY, TWO-FAMILY, AND MOBILE HOMES AT A DENSITY OF ONE DWELLING UNIT PER 2 ACRES. THE AR2A DISTRICT IS INTENDED	
Effective Date:	12/23/1974	
Ordinance:	073-650	
Case Number:		
Zone Code:	OV-FLD	
Zone Description:		
Effective Date:	1/1/1998	
Ordinance:	096-555	
Case Number:		
Owner History		Show
Property History		Show
Assessments		Show



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Parcel Details	
Parcel ID:	08103003400
Parcel Address:	1701 MCKINNEY AVE NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	12/1/1998
Sale Price:	\$ 1,243.00
Sale Instrument:	DB-00011338 0000829
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 23 BUENA VISTA HGTS
Acreage:	0.17
Frontage Dimension:	51
Side Dimension:	150
Parcel Instrument:	DB-00004428 0000898
Parcel Instrument Date:	6/9/1970
Census Tract:	37013700
Tax District:	USD
Council District:	02
Land Use Description:	VACANT RESIDENTIAL LAND

Zoning	Hide
Zone Code: OV-UZO	
Zone Description:	
Effective Date: 7/25/2007	
Ordinance: BL2007-142	
Case Number: 2007Z-060U-05	
Zone Code: R6	
Zone Description: MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	
Effective Date: 12/23/1974	
Ordinance: 073-650	
Case Number:	
Zone Code: OV-UZO	
Zone Description:	
Effective Date: 12/2/2000	
Ordinance: BL2000-47	
Case Number: 2000Z-094U-00	

Owner History	Show
Property History	Show
Assessments	Show



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Parcel Details	
Parcel ID:	08111002300
Parcel Address:	1707 22ND AVE N NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	12/14/2003
Sale Price:	\$ 0.00
Sale Instrument:	CR-20041217 0150471
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 333 HARDING SUB
Acreage:	0.19
Frontage Dimension:	50
Side Dimension:	157
Parcel Instrument:	DB-00001874 0000458
Parcel Instrument Date:	9/30/1949
Census Tract:	37013800
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND

Zoning	Hide
Zone Code	OV-UZO
Zone Description	
Effective Date	7/25/2007
Ordinance	BL2007-142
Case Number	2007Z-060U-05
Zone Code	RS5
Zone Description	Medium density residential, requiring a minimum 5,000 square foot lot and intended for single-family dwellings at a density of 7.41 dwelling units per acre.
Effective Date	1/1/1998
Ordinance	096-555
Case Number	
Zone Code	OV-UZO
Zone Description	
Effective Date	12/2/2000
Ordinance	BL2000-47
Case Number	2000Z-094U-00
Zone Code	R6
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.
Effective Date	12/23/1974
Ordinance	073-650



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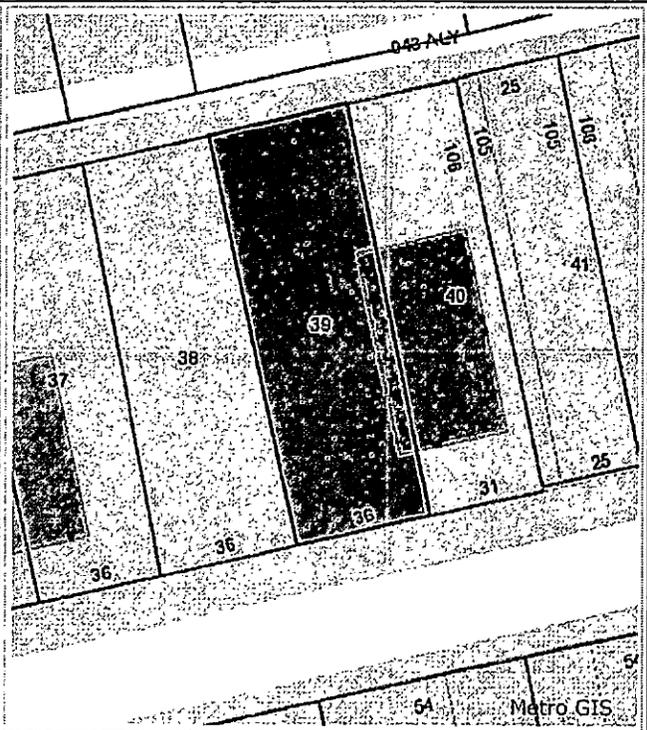
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Parcel Details	
Parcel ID:	09206044700
Parcel Address:	2712 BATAVIA ST NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	8/4/1998
Sale Price:	\$ 817.00
Sale Instrument:	DB-00011355 0000077
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 39 FAULCONER & ASHCRAFT SUB MCNAIRY
Acreage:	0.09
Frontage Dimension:	36
Side Dimension:	106
Parcel Instrument:	DB-00003103 0000591
Parcel Instrument Date:	8/8/1960
Census Tract:	37014300
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code	OV-UZO	
Zone Description		
Effective Date	7/25/2007	
Ordinance	BL2007-142	
Case Number	2007Z-060U-05	
Zone Code	RS5	
Zone Description	Medium density residential, requiring a minimum 5,000 square foot lot and intended for single-family dwellings at a density of 7.41 dwelling units per acre.	
Effective Date	1/21/2006	
Ordinance	BL2005-90	
Case Number	2005Z-183U-08	
Zone Code	OV-UZO	
Zone Description		
Effective Date	12/2/2000	
Ordinance	BL2000-47	
Case Number	2000Z-094U-00	
Zone Code	R6	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	
Effective Date	12/23/1974	



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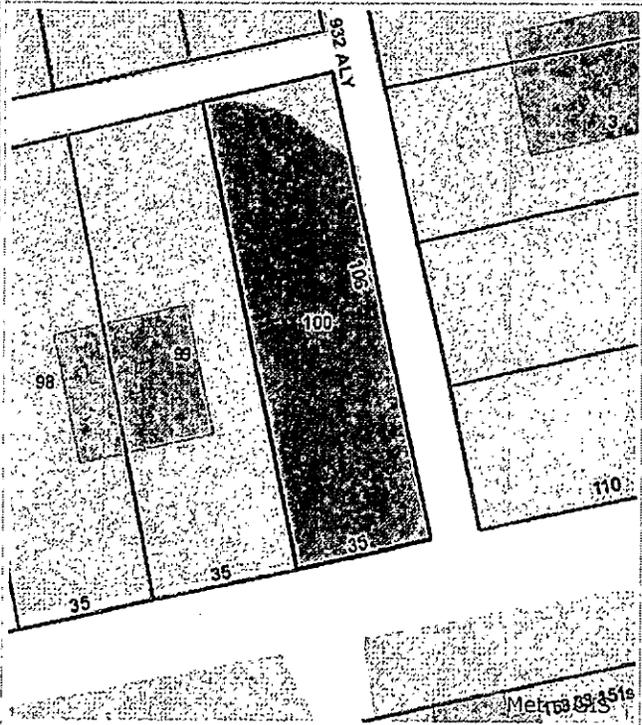
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Parcel Details	
Parcel ID:	09206048800
Parcel Address:	2504 BOOKER ST NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	10/9/2000
Sale Price:	\$ 359.00
Sale Instrument:	DB-20001101 0108187
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LT 100 FAULCONER & ASHCRAFT SUB MCNAIRY
Acreage:	0.09
Frontage Dimension:	35
Side Dimension:	106
Parcel Instrument:	DB-00004753 0000422
Parcel Instrument Date:	9/24/1973
Census Tract:	37014300
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code	OV-UZO	
Zone Description		
Effective Date	7/25/2007	
Ordinance	BL2007-142	
Case Number	2007Z-060U-05	
Zone Code	RS5	
Zone Description	Medium density residential, requiring a minimum 5,000 square foot lot and intended for single-family dwellings at a density of 7.41 dwelling units per acre.	
Effective Date	1/21/2006	
Ordinance	BL2005-90	
Case Number	2005Z-183U-08	
Zone Code	OV-UZO	
Zone Description		
Effective Date	12/2/2000	
Ordinance	BL2000-47	
Case Number	2000Z-094U-00	
Zone Code	R6	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	
Effective Date	12/23/1974	



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Parcel Details	
Parcel ID:	09206050600
Parcel Address:	2704 BOOKER ST NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	12/15/2005
Sale Price:	\$ 8,856.00
Sale Instrument:	CR-20070411 0043245
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 80 FAULCONER & ASHCRAFT SUB MCNAIRY
Acreage:	0.09
Frontage Dimension:	36
Side Dimension:	106
Parcel Instrument:	DB-00002139 0000567
Parcel Instrument Date:	3/19/1953
Census Tract:	37014300
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	7/25/2007	
Ordinance:	BL2007-142	
Case Number:	2007Z-060U-05	
Zone Code:	RS5	
Zone Description:	Medium density residential, requiring a minimum 5,000 square foot lot and intended for single-family dwellings at a density of 7.41 dwelling units per acre.	
Effective Date:	1/21/2006	
Ordinance:	BL2005-90	
Case Number:	2005Z-183U-08	
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	12/2/2000	
Ordinance:	BL2000-47	
Case Number:	2000Z-094U-00	
Zone Code:	R6	
Zone Description:	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	
Effective Date:	12/23/1974	



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Parcel Details	
Parcel ID:	09207008500
Parcel Address:	2018 HERMAN ST NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	6/2/2003
Sale Price:	\$ 4,210.00
Sale Instrument:	DB-20030626 0088323
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 24 ASHCRAFT SUB PT 14 HARDING & LYTTLE
Acreage:	0.09
Frontage Dimension:	25
Side Dimension:	160
Parcel Instrument:	DB-00001014 0000139
Parcel Instrument Date:	6/4/1938
Census Tract:	37014200
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code	OV-UZO	
Zone Description		
Effective Date	7/25/2007	
Ordinance	BL2007-142	
Case Number	2007Z-060U-05	
Zone Code	RM20	
Zone Description	Medium-high density residential, intended for single-family, duplex, and multi-family dwellings at a density of 20 dwelling units per acre.	
Effective Date	1/1/1998	
Ordinance	096-555	
Case Number		
Zone Code	OV-UZO	
Zone Description		
Effective Date	12/2/2000	
Ordinance	BL2000-47	
Case Number	2000Z-094U-00	
Zone Code	RM8	
Zone Description		
Effective Date	12/23/1974	
Ordinance	073-650	
Case Number		



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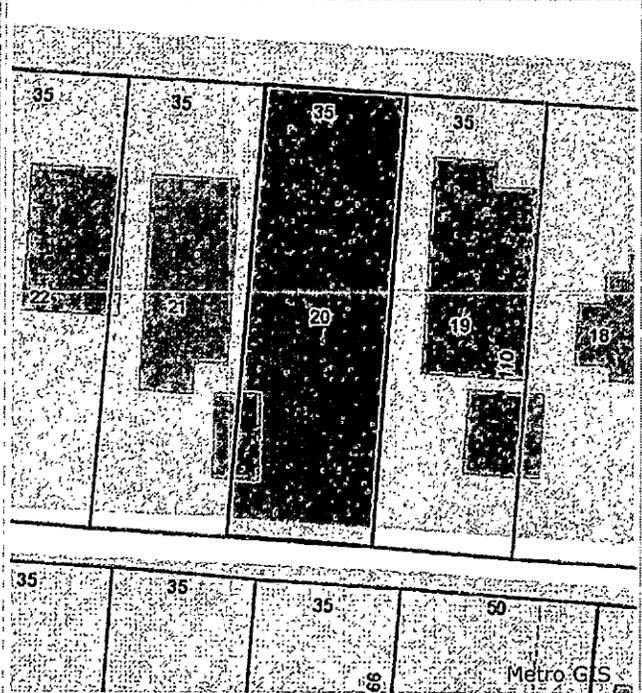
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Parcel Details	
Parcel ID:	09207020500
Parcel Address:	2409 BATAVIA ST NASHVILLE, TN 37208
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	2/1/2005
Sale Price:	\$ 6,765.00
Sale Instrument:	CR-20050309 0026277
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 20 ASHCRAFT SUB MCNAIRY
Acreage:	0.09
Frontage Dimension:	35
Side Dimension:	110
Parcel Instrument:	DB-00002704 0000484
Parcel Instrument Date:	11/6/1957
Census Tract:	37014300
Tax District:	USD
Council District:	21
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code	OV-UZO	
Zone Description		
Effective Date	7/25/2007	
Ordinance	BL2007-142	
Case Number	2007Z-060U-05	
Zone Code	RS5	
Zone Description	Medium density residential, requiring a minimum 5,000 square foot lot and intended for single-family dwellings at a density of 7.41 dwelling units per acre.	
Effective Date	1/21/2006	
Ordinance	BL2005-90	
Case Number	2005Z-183U-08	
Zone Code	OV-UZO	
Zone Description		
Effective Date	12/2/2000	
Ordinance	BL2000-47	
Case Number	2000Z-094U-00	
Zone Code	R6	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	
Effective Date	12/23/1974	
Ordinance	O73-650	



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Parcel Details	
Parcel ID:	09316003900
Parcel Address:	102 CLAIBORNE ST NASHVILLE, TN 37210
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	3/5/2006
Sale Price:	\$ 5,495.00
Sale Instrument:	CR-20060418 0044152
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 191 MAURY & CLAIBORNE ADDN
Acreage:	0.13
Frontage Dimension:	35
Side Dimension:	165
Parcel Instrument:	DB-00004254 0000563
Parcel Instrument Date:	7/25/1968
Census Tract:	37014800
Tax District:	USD
Council District:	19
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code	OV-UZO	
Zone Description		
Effective Date	7/25/2007	
Ordinance	BL2007-142	
Case Number	2007Z-060U-05	
Zone Code	R6-A	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE. ALTERNATIVE DISTRICTS PROMOTE ALTERNATIVE MODES OF TRANSPORTATION.	
Effective Date	2/23/2018	
Ordinance	BL2018-104	
Case Number	2018Z-005PR-001	
Zone Code	OV-UZO	
Zone Description		
Effective Date	12/2/2000	
Ordinance	BL2000-47	
Case Number	2000Z-094U-00	
Zone Code	R6	
Zone Description	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	



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Parcel Details	
Parcel ID:	09316010000
Parcel Address:	46 GREEN ST NASHVILLE, TN 37210
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	3/10/2005
Sale Price:	\$ 8,085.00
Sale Instrument:	CR-20060418 0044158
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 28 MAURY & CLAIBORNE ADDN
Acreage:	0.13
Frontage Dimension:	35
Side Dimension:	165
Parcel Instrument:	DB-00000971 0000620
Parcel Instrument Date:	12/16/1935
Census Tract:	37014800
Tax District:	USD
Council District:	19
Land Use Description:	VACANT RESIDENTIAL LAND

Zoning		Hide
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	7/25/2007	
Ordinance:	BL2007-142	
Case Number:	2007Z-060U-05	
Zone Code:	R6-A	
Zone Description:	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE. ALTERNATIVE DISTRICTS PROMOTE ALTERNATIVE MODES OF TRANSPORTATION.	
Effective Date:	2/23/2018	
Ordinance:	BL2018-104	
Case Number:	2018Z-005PR-001	
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	12/2/2000	
Ordinance:	BL2000-47	
Case Number:	2000Z-094U-00	
Zone Code:	R6	
Zone Description:	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	



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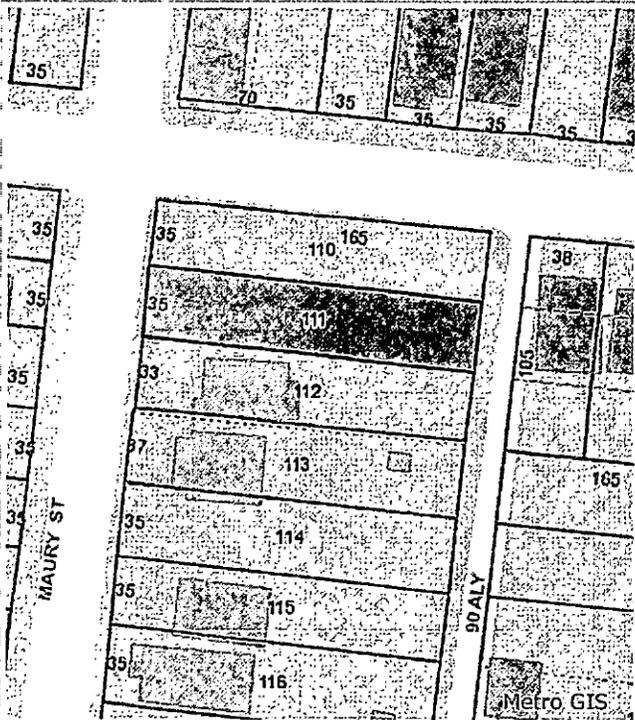
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Parcel Details	
Parcel ID:	09316011000
Parcel Address:	97 MAURY ST NASHVILLE, TN 37210
Owner:	METRO GOV'T BT BACK TAX SALE
Acquired Date:	8/27/2006
Sale Price:	\$ 5,250.00
Sale Instrument:	DB-20061009 0124859
Mailing Address:	P O BOX 196300 NASHVILLE, TN 37219
Legal Description:	LOT 111 MAURY & CLAIBORNE ADDN
Acreage:	0.13
Frontage Dimension:	35
Side Dimension:	165
Parcel Instrument:	DB-00000443 0000271
Parcel Instrument Date:	7/16/1913
Census Tract:	37014800
Tax District:	USD
Council District:	19
Land Use Description:	VACANT RESIDENTIAL LAND



Zoning		Hide
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	7/25/2007	
Ordinance:	BL2007-142	
Case Number:	2007Z-060U-05	
Zone Code:	R6-A	
Zone Description:	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE. ALTERNATIVE DISTRICTS PROMOTE ALTERNATIVE MODES OF TRANSPORTATION.	
Effective Date:	2/23/2018	
Ordinance:	BL2018-104	
Case Number:	2018Z-005PR-001	
Zone Code:	OV-UZO	
Zone Description:		
Effective Date:	12/2/2000	
Ordinance:	BL2000-47	
Case Number:	2000Z-094U-00	
Zone Code:	R6	
Zone Description:	MEDIUM DENSITY RESIDENTIAL, REQUIRING A MINIMUM 6,000 SQUARE FOOT LOT AND INTENDED FOR SINGLE AND TWO-FAMILY DWELLINGS AT A DENSITY OF 7.71 DWELLING UNITS PER ACRE.	



METRO BARNES FUND PROPERTY DEVELOPMENT AGREEMENT
BETWEEN THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON
COUNTY
AND
THE HOUSING FUND, INC.

This AGREEMENT (“Agreement”) is made and entered into this 3RD day of JANUARY, 2019, by and between the Metropolitan Government of Nashville and Davidson County by and through its Housing Trust Fund Commission (the “Commission”) and The Housing Fund (the “Developer” and/or “CLT”).

WITNESSETH

WHEREAS, The Commission administers the Metropolitan Government’s Barnes Fund with the goal of creating rental housing, housing for the disabled, and long-term affordable homeownership opportunities for citizens of Davidson County; and

WHEREAS, In 2017, the Commission approved the creation of Nashville’s first Community Land Trust (CLT) and selected The Housing Fund as its partner to develop and steward this model; and

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

WHEREAS, The Commission proposes to donate the Properties to Developer for the purpose of constructing affordable or workforce housing in accordance with T.C.A. § 7-3-314(e); and

WHEREAS, Developer proposes to accept and construct houses on the Properties to rent them or make them available for purchase to preserve affordable housing opportunities for low- and moderate-income households through the long-term leasing of land under owner-occupied homes subject to certain transfer restrictions as more fully provided herein; and

WHEREAS, the rights granted herein to the Developer and the Commission serve the public's interest in the creation and retention of affordable housing for persons and households of low and moderate resources.

NOW, THEREFORE, as further consideration for the donation of the Properties, the Developer hereby agrees that the Properties shall be subject to the following rights, terms, conditions, restrictions, and mutual agreements.

1. Scope of Work. Developer agrees to accept the conveyance of the Properties from the Metropolitan Government via quitclaim deed subject to all of the restrictions and covenants set forth in the Declaration and to all of the obligations in the Agreement. Developer further agrees to enforce the Declaration, determine the eligibility of proposed purchasers or tenants of the housing to be built by Developer on the Property.
2. Permitted Structures. Under the CLT, only structures permitted in residentially zoned areas of the Metropolitan Government may be built upon any of the Properties.
3. Model CLT Ground Lease (“Ground Lease”). A goal of the CLT is to preserve affordable homeownership opportunities for low- and moderate-income households through the long-term leasing of land under owner-occupied homes. The Leased Land described in the Ground Lease (described in the attached Exhibit 1) has been acquired and is being leased by the Developer in furtherance of this goal. The Developer shall maintain an approved legal Ground Lease, but reserves the right to modify document as needed. The Developer hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land in accordance with the terms of this Ground Lease. The Developer will furnish to Homeowner a copy of the most current title report, if any, obtained by Developer for the Leased Land. The Developer is solely responsible to ensure the Homeowner recognizes the special nature of the terms of this Ground Lease, and accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner. Homeowner and Developer agree that the terms of the Ground Lease further their shared goals over an extended period of time and through a succession of owners.
4. Affordability Requirements. The Developer will ensure Property is sold, rented or occupied by person or entity that is an Income Qualified Person, and said Income Qualified Person will have incomes and earnings from assets no greater than 80% of the area median income (as described in the Recitals). Developer shall, by appropriate restrictive covenant or other manner reasonably acceptable to the Commission, ensure that every sale of a Property during the Affordability Period complies with these requirements and the homebuyer income limits set forth in this Agreement and the Ground Lease. The Developer shall require strict adherence to the Ground Lease as described in Articles 4 and 10.
5. Insurance and Maintenance. Developer shall ensure property insurance is in place on all Properties owned by the developer. Such property insurance shall cover the full replacement cost of all improvements built on the Properties. The Developer shall require strict adherence to the Ground Lease as described in Articles 7 and 9.
6. Notice of Intent to Sell. The Developer shall require strict adherence to the Ground Lease as described in Article 10. Resale restrictions limit the price at which the Property can be sold. Developer shall offer reasonable assistance to any Owner or Transferee of a Property seeking to sell that Property. In a written agreement with the Owner, the Developer shall require that when the Owner or any successor in title to the Owner shall desire to sell,

dispose of or otherwise convey the Property, or any portion thereof, the Owner shall notify the Developer in writing of the Owner's intention to so convey the Property (the "Conveyance Notice"). Without limiting the foregoing, Developer shall assist owners and Transferees in locating Income Qualified Person interested in purchasing Properties that such owners or Transferees wish to sell, but only to the extent Developer has actual knowledge of Income Qualified Person who may wish to purchase the Properties. The Developer will ensure the resale does not exceed the limit established by the "resale formula".

7. Encumbrances. (A) Property shall not be refinanced or encumbered (voluntarily or otherwise) or mortgaged without permission of the Developer; provided that this provision shall not apply to a first mortgage granted on the date of the delivery of the deed in connection with the conveyance of the Property from Developer to Owner securing indebtedness not greater than (B) one hundred percent (100%) of the cost to acquire the property. The Developer shall require strict adherence to the Ground Lease as described in Article 8.
8. In Case of Default. The Developer shall require strict adherence to the Ground Lease as described in Article 12 of said lease. In the case of any of the events of default (as described in Articles 12.1,12.2 and 12.3), the CLT may terminate the lease and initiate summary proceedings under applicable law against Homeowner, and CLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, CLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If the Lease is terminated by CLT pursuant to an Event of Default, then, as provided in Article 7.7 of the Ground Lease, upon thus assuming title to the Home, CLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Article 10.9 of the Ground Lease, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of the Lease and all reasonable costs (including reasonable attorneys' fees) incurred by CLT in pursuit of its remedies under the Lease.

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

9. Enforcement. In addition to any other rights that it may have at law or in equity, the Commission shall have the right to seek injunctive and other appropriate relief requiring Developer's compliance with this agreement.
10. Notice. Any notices, demands or requests that may be given under this Agreement shall be sufficiently served if given in writing and delivered by hand or mailed by certified or

registered mail, postage prepaid, return receipt requested, to the following entities and parties in interest at the addresses set forth below, or such other addresses as may be specified by any party (or its successor) by such notice.

The Commission: Metropolitan Housing Trust Fund Commission
c/o Mayor's Office of Economic & Community Development
Metropolitan Courthouse -1 Public Square
Nashville, TN 37201

Developer: The Housing Fund
c/o President and CEO
REF: Community Land Trust
305 11th Avenue South
Nashville, TN 37203

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

11. Prohibition on Discrimination. No person shall, on the grounds of race, color, sex, religion, sexual orientation or national origin, be excluded from participation in, be denied the benefits of, or otherwise subject to discrimination with regard to the sale, lease, rental, use or occupancy of any of the Properties.
12. Severability. If any provisions hereof or the application thereof to any person or circumstance are judicially determined, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.
13. Entire Agreement and Modification. This instrument contains the entire agreement between the Commission and Developer. Any prior information, discussions or agreements are merged herein and barred hereby. This Agreement may not be amended or modified orally, by course of dealing, waiver or estoppel. This Agreement may not be modified or amended except in writing signed by all parties.
14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and the permitted successors and assigns of the parties. Developer may not assign its interests or obligations under this Agreement without the express, prior written consent of the Commission.
15. Venue. No action arising from this agreement may be brought in any forum other than the Chancery or Circuit Courts of Davidson County, Tennessee.
16. Governing law. The validity, construction and effect of this Agreement and any and all extensions or modifications thereof shall be governed by the laws of the State of

Tennessee. Tennessee law shall govern regardless of any language in any attachment or other document that the Developer may provide.

17. Attorney Fees. If at any time it is necessary for the Commission to undertake any action, whether or not such action involves litigation, to enforce the terms of this Agreement or any documents or exhibits attached hereto or incorporated herein, Developer agrees to pay all reasonable costs of such enforcement by the Commission including reasonable attorney's fees and court costs.
18. Certification. The person executing this Agreement on behalf of Developer hereby personally certifies that such person is a duly appointed officer of Developer as indicated below, and that Developer shall be lawfully bound hereby.

RECIPIENT

By: 

Marshall E. Crawford, Jr., President and CEO
The Housing Fund, Inc.

THE HOUSING FUND MODEL GROUND LEASE

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- Exhibit LEASED LAND
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Other Exhibits to be Attached as Appropriate

- Exhibit ZONING
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APPENDIX: Alternative versions of Article 10

MODEL CLT LEASE

THIS LEASE (“this Lease” or “the Lease”) entered into this _____ day of _____, 20____, between _____ COMMUNITY LAND TRUST (“CLT”) and _____ (“Homeowner”).

RECITALS

- A. The CLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low- and moderate-income people who would otherwise be unable to afford homeownership.
- B. A goal of the CLT is to preserve affordable homeownership opportunities for low- and moderate-income households through the long-term leasing of land under owner-occupied homes.
- C. The Leased Land described in this Lease has been acquired and is being leased by the CLT in furtherance of this goal.
- D. The Homeowner shares the purposes of the CLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of the CLT.
- E. Homeowner and CLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.
- F. Homeowner and CLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

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

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

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

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

Base Price: the total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

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

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

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

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

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

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

ARTICLE 2: Leasing of Rights to the Land

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

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: CLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased

Land's surface. Ownership of such minerals remains with the CLT, but the CLT shall not remove any such minerals from the Leased Land without the Homeowner's written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ___ day of _____, 20 __, and ending on the _____ day of _____, 2 __, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The CLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-year period, CLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph ("the Expiration Notice"). The Expiration Notice shall also describe any changes that CLT intends to make in the Lease for the renewal period as permitted above.

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

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

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

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES: Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any activities related to residential use that are permitted by local codes.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

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

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

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

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

- a) Any sublease shall be subject to all of the terms of this Lease.
- b) Renters must be income eligible as defined in Article 10.2.

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

If the CLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the CLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The CLT must notify the Homeowner at least 24 hours before carrying out such inspection.

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

ARTICLE 5: Fees

5.1 AMOUNT OF FEES: The Homeowner shall pay a monthly Fee in an amount equal to the sum of (a) a Lease Fee of \$75 to be paid in return for the continuing right to possess, occupy and use the Leased Land, plus (b) a Repair and Replacement Reserve Fee of \$25 to be held by the CLT and used for the purpose of preserving the physical quality of the Home for the long term in accordance with Section 7.6 below.

5.2 WHEN THE FEE IS TO BE PAID: The Fee shall be payable to CLT on the 5th day of each month for as long as this Lease remains in effect. Homeowner shall make such payments through the Automated Clearing House system, or as otherwise provided by CLT.

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

5.4 CLT MAY REDUCE OR SUSPEND THE FEE TO IMPROVE AFFORDABILITY: CLT may reduce or suspend the total amount of the Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by CLT.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The CLT may increase the amount of the Lease Fee and/or the Repair Reserve Fee from time to time, but not more often annually. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in the Consumer Price Index for urban wage earners and clerical workers for the urban area in which the Leased Land is located, or, if none, for urban areas the size of Nashville, TN.

5.6 LEASE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Lease Fee shall be increased to an amount calculated by CLT to equal the fair rental value of the Leased Land for use not restricted by the suspended provisions. Such increase shall become effective upon CLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the CLT may, from time to time, further increase the amount of such Lease Fee, provided that the amount of the Lease Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once in every year.

5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED: If the CLT has not received any monthly installment of the Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the CLT may require Homeowner to pay interest on the unpaid amount from the Due Date through and including the date such

payment or installment is received by CLT, at a rate not to exceed 2%. Such interest shall be deemed additional Lease Fee and shall be paid by Homeowner to CLT upon demand; provided, however, that CLT shall waive any such interest that would otherwise be payable to CLT if such payment of the Lease Fee is received by CLT on or before the thirtieth (30th) day after the Due Date.

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

ARTICLE 6: Taxes and Assessments

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

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

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

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, CLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, CLT shall pay the amount collected to the taxing authority in a timely manner.

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

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or installed by the Homeowner on any part of the Leased Land at any

time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the CLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without CLT's prior written consent.

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

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

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

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

If the CLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The CLT then, within 30 days of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting, as well as its decision to grant or withhold consent to any request Capital Improvements Credit. Before construction can begin, Homeowner shall provide CLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the CLT's title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home which remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify CLT of such failure. CLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased

Land from such lien. Any amounts paid by CLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

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

7.6 A REPAIR AND REPLACEMENT RESERVE FUND IS ESTABLISHED TO SUPPORT FUTURE REPAIRS:

(a) The parties acknowledge that the Homeowner is responsible for all maintenance and repair of the Home, as set forth in this Lease. As an additional assurance that all Homeowners are able to comply with their maintenance and repair obligations, CLT and Homeowner agree that a Repair and Replacement Reserve Fee will be collected from each Homeowner as part of the Fee, as provided in Section 5.1(b) and held as a reserve by CLT for any significant required maintenance and repair of the roof, exterior siding, exterior paint and finishes or similar features of the Home.

(b) The Repair and Replacement Reserve Fee shall be accounted for separately by the CLT for each Improvement and shall only be released by CLT at its sole discretion for each individual property for which the Repair and Replacement Reserve Fee was paid. Homeowner may request release of the funds, and CLT shall release funds at its sole discretion, if the requested use is found to be necessary and in accordance with the fund's intended use. CLT may reasonably withhold Repair and Replacement Reserve Fee funds if the requested use is for purely aesthetic exterior alterations (such as a change in paint color when existing paint is still in good condition) or to repair items damaged by neglect.

(c) Homeowner acknowledges that the Repair and Replacement Reserve Fund is intended for, and shall remain with, the Home and not the Homeowner. In the event the Home is sold or transferred by Homeowner, the unused Repair and Replacement Reserve funds will be retained in the fund by CLT for future maintenance and repair needs to the Home and will not be recoverable by or returned to Homeowner for any purpose other than those described in Section 7.6(a). It is the Homeowner's responsibility to fund from Homeowner's resources all required maintenance and repair needs of the Home that are not, or cannot be, covered by the Repair & Replacement Reserve funds held by CLT.

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

FIRST, CLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner in so far as the amount does not exceed the Purchase Option

Price. In no event shall the total amount that the CLT is required to pay Permitted Mortgages be greater than the Purchase Option Price;

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

ARTICLE 8: Financing

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

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

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

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

CLT may also require Homeowner to submit additional information. CLT will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 90% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the CLT.

8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The CLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than 90% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

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

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

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT. Homeowner and CLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to CLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to CLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to CLT.

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

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

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

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

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner

shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, if the CLT determines that the replacement value to be insured should be increased, the CLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.

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

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

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

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

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

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

of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to the CLT for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;

SIXTH, the balance, if any, to the CLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE.

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

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

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED.

In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, CLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME.

If this Lease is terminated as a result of damage, destruction or taking, CLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by CLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against CLT if such a home is not made available.

ARTICLE 10: Transfer of the Home**Article 10:**

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

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

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

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement and a Letter of Attorney's Acknowledgment (as described in Article 1 above) are submitted to CLT to be attached to the Lease when it is transferred to the heirs.

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

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

10.4 HOMEOWNER MUST GIVE NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT, in writing,

of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

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

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

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

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Agreement and Attorney's Acknowledgement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines

that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.6 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed by Section 10.5 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such sixty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

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

Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

10.8 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED LEASEHOLD VALUE OF THE HOME OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the Appraised Leasehold Value of Home at Resale or (b) the Formula Price calculated in accordance with Section 10.10 below. If CLT does not choose to commission an appraisal to determine the appraised value of Homeowner's Ownership Interest, then the Purchase Option Price shall be the Formula Price.

10.9 IF CLT BELIEVES LEASEHOLD VALUE MAY BE LESS THAN FORMULA PRICE: If CLT believes that the leasehold value of Home at Resale may be less than the Formula Price, CLT may, within 14 days of receiving Homeowner's Notice of Intent to Sell, commission a market leasehold valuation of the Home to be performed by a duly licensed appraiser acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable fee simple properties disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to the amount of Homeowner's Base Price (which CLT and Homeowner agree is \$ _____) plus simple interest of 4% annually.

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

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

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

- a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at her sole expense a building inspector with a current Home Inspector license from the _____ [licensing agency] to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.

- b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the CLT within 10 days after receiving the Inspection Report.
- c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
- d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the CLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a CLT-approved escrow account. Also, upon Homeowner's written request, CLT may, at its discretion, agree to release funds from the Repair Reserve Fund to cover some or all of the cost of such repairs, provided that such use of the Reserve is in full compliance with Section 7.6 above.
- e) Homeowner shall allow CLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
- f) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: RESERVED**ARTICLE 12: DEFAULT**

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

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

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

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

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

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

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

12.5 WHAT HAPPENS IF CLT DEFAULTS: CLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until CLT has failed to

perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to CLT properly specifying CLT's failure to perform any such obligation.

ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

13.2 Homeowner and CLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 14: GENERAL PROVISIONS

14.1 HOMEOWNER'S MEMBERSHIP IN CLT: Reserved

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

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

If to Homeowner: _____ (name of Homeowner)

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

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

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

NOTE: List an identifiable group of small children, e.g., the children living as of the date of this Lease of any of the directors or employees of a specified corporation.

14.5 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, CLT

shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

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

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

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

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

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

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

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

14.12 RECORDING: The parties agree, as an alternative to the recording of this Lease, to execute a so-called Notice of Lease or Short Form Lease in form recordable and complying with applicable law and reasonably satisfactory to CLT's attorneys. In no event shall such document state the rent or other charges payable by Homeowner under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

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

_____ (CLT)

Witness

By: _____
Its duly authorized agent

Witness

_____ (Homeowner):

[notarize signatures]

DRAFT

**Exhibit LETTERS OF AGREEMENT AND ATTORNEY'S
ACKNOWLEDGMENT**

Sample
Letter of Agreement

To _____ Community Land Trust ("the CLT")

Date: _____

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

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

In particular I understand and agree with the following points.

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

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

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

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

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

Sincerely

**Sample
Letter of Attorney's Acknowledgment**

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

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

- a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;
- b) a proposed Deed conveying the Home to the Client;
- c) a proposed Ground Lease conveying the "Leased Land" to the Client;
- d) other written materials provided by the CLT.

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

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

Name

Date

Title

Firm/Address

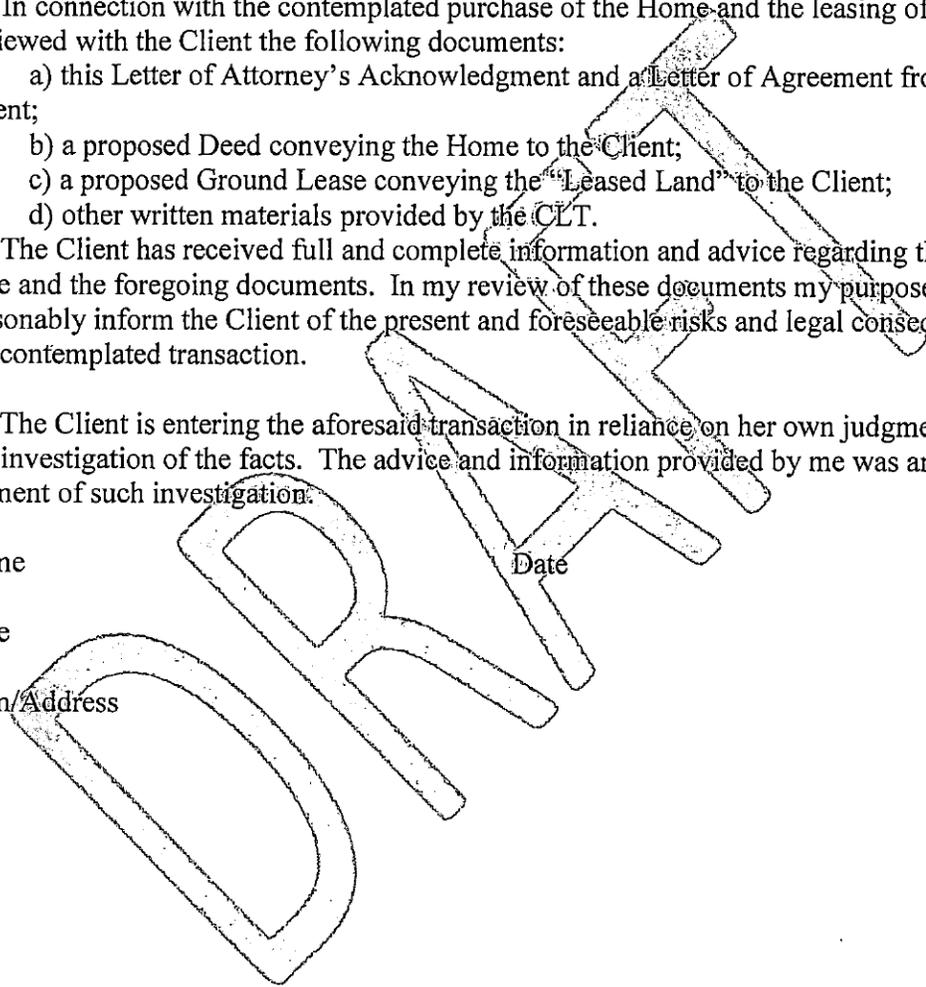


Exhibit DEED

Sample
Deed

Between

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

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

Witnesseth

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

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

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

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

signature

[notarize signature]

Exhibit PERMITTED MORTGAGES

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

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

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.
2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify CLT of its intention to do so, and CLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.
3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give CLT written notice of such acquisition and CLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, CLT must give written notice to the Permitted Mortgagee of CLT's intent to purchase the Home within thirty (30) days following CLT's receipt of the Permitted Mortgagee's notice. CLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If CLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.
4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Permitted Mortgage.
5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering CLT or any subsequent Mortgagee of CLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.
6. The Permitted Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties

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

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

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

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

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

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

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

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

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

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

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

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

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

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

This Agreement is made by and among:

_____ (Mortgagee) and
 _____ ("Homeowner"),

Whereas:

- a) _____ CLT (the "CLT") and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at _____ ("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").
- b) The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached

hereto as Schedule A.

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

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

Stipulated Conditions:

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

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

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

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

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

6) *The Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that CLT's consent to the Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)*

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

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

By:

_____ for Mortgagee Date: _____
_____ for Homeowner/Mortgagor Date: _____

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Exhibit FIRST REFUSAL

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

- a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.
- b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.
- c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Other Exhibits to be Attached as Appropriate

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

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

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

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

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