

DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants is made this 18th day of July, 2006 by CITY OF FORT LAUDERDALE, a Florida municipal corporation ("Declarant").

WHEREAS, the City of Fort Lauderdale has acquired two parcels of real property more particularly described below (hereinafter, collectively "Property"), which such Property is more particularly described below:

Parcel One

Lot 5, Block 9, MELROSE PARK SECTION 8, according to the Plat thereof, as recorded in Plat Book 39, Page 36, of the Public Records of Broward County, Florida; said lands situate, lying and being in Broward County, Florida.

(Street Address: 3731 SW 1st Street
Fort Lauderdale, Florida (multi-family, 7 units)

Parcel Two

Lot 22, Block 5, TALLMAN PINES, according to the Plat thereof, as recorded in Plat Book 40, Page 39, of the Public Records of Broward County, Florida; said lands situate, lying and being in Broward County, Florida.

(Street Address: 611 NE 39th Street
Pompano Beach, Florida (single-family home)

WHEREAS, in accordance with the provisions of Section 8.02 of the City Charter, the City is authorized to convey public property to a public body for a public purpose; and

WHEREAS, rehabilitation of real property for use as rental housing for low-income families and individual in connection with the City's Housing Opportunities for People With Aids ("HOPWA") federal grant program is a public purpose; and

WHEREAS, pursuant to Resolution No. 06-95, adopted at its meeting of June 6, 2006, the City Commission determined and declared its intention to convey the Property to The Housing Authority of the City of Fort Lauderdale (hereinafter, "Housing Authority" or "Participant") to rehabilitate and use for HOPWA purposes; and

WHEREAS, Public Notice of a Public Hearing on Resolution No. 06-95 was duly published in accordance with Charter Section 8.02; and

WHEREAS, a public hearing was held on July 18, 2006 and the terms of the proposal to convey the Property to the Housing Authority were explained to the public and an opportunity given for citizens and taxpayers to be heard upon such proposal; and

WHEREAS, by Resolution No. 06-132, adopted by the City Commission at its meeting of July 18, 2006, the proper City officials were authorized to execute the Contract for Sale and Use of the Property, deed of conveyance, Declaration of Restrictive Covenants and Participation Agreement with Participant; and

WHEREAS, in conjunction with the conveyance of the Property, Housing Authority and the City has entered into a Contract for the Sale and Use of the Property under which the City shall convey fee simple title to the Property to the Housing Authority, subject to a Declaration of Restrictive Covenants ensuring that the Property is used for low-income families and individuals in connection with the City's HOPWA federal grant program and pursuant to which the City shall retain a reversionary interest for a period of ten (10) years to ensure compliance with the HOPWA use restrictions; and

WHEREAS, in conjunction with the conveyance of the Property, Housing Authority and City have entered a Participation Agreement for the rehabilitation of the Property;

NOW, THEREFORE, DECLARANT HEREBY DECLARES that the conveyance and use of the Property shall be subject to:

1. **Recitals.** The foregoing recitals are true and correct.
2. **Term and Use of Property.** The Property shall be continuously used by Participant for a period of ten (10) years from the date of conveyance to Participant ("Term") for the administration of a Project Based Residential Housing Unit Program to be conducted pursuant to HUD's HOPWA Regulations, 24 CFR, Part 574, and for no other purposes.
 - 2.1 During the Term of this Declaration, Participant shall not sell, lease (other than to rent to eligible persons under HOPWA Regulation), convey or encumber the Property without the express written consent of the City, which such consent may be withheld in the absolute discretion of the City.
 - 2.2 During the Term of this Declaration, Participant shall not engage in any financing or other transaction which results in the creation of a mortgage lien upon the Property without first obtaining the written consent of the City, which such consent may be withheld in the absolute discretion of the City.
3. **Rental Housing for Eligible Persons and Families Under Federal HOPWA Guidelines.** The Property shall be used by Participant pursuant to the Housing Program to provide rental housing for income-eligible persons and their families in accordance with Federal HOPWA guidelines.

Declaration of Restrictive Covenants

Housing Authority / HOPWA

Rev. 07/18/2006

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Page 2 of 6

3.1 At least one member of each family must be qualified in accordance with the standards set forth in 24 CFR Part 574. All eligible people, except those in short-term supported housing, will be required to pay a portion of the rent according to the standards set forth in 24 CFR Sec. 574.310(d).

3.2 The cost per unit of service of housing shall be determined by utilizing the Fair Market Rent as published by HUD from time to time, for one and two bedroom apartments less the client's portion of rent. A unit of service of project-based housing is described as one month of residency including room and utilities.

4. Reasonable Inspections of Property. The Participant shall permit reasonable inspections of the Property at reasonable times by the City or its agents for the purpose of determining compliance with the terms of this Declaration and the terms of the Participation Agreement.

5. Participation Agreement. Participant shall comply with the terms and conditions of the Participation Agreement with respect to the use of the Property.

6. Notice and Opportunity to Cure. If an event of breach or default by the Participant in the performance of any obligations under this Declaration, the City shall provide written notice thereof to the Developer, and,

(a) if such event of default shall not be cured by the Participant within thirty (30) days after receipt of the written notice from the City specifying in reasonable detail the event of default by the Participant, or

(b) if such event of default is of such nature that it cannot be completely cured within such time period, then if the Participant shall not have commenced to cure such default within such time period and shall not continue to diligently prosecute such cure to completion within such reasonable longer period of time as may be necessary

then the City, for events of default described in above, may pursue any and all legal remedies or equitable remedies, including enforcement of its reversionary interest in accordance with the provisions of this Declaration.

6.1 In the event Participant commences to cure a default but finds that the default is of such a nature that it cannot be completely cured within time provided in subsection 6 (b) above and Participant intends to continue to diligently prosecute such cure to completion, then Participant shall be obligated to provide notice to City as to the time frame reasonably needed to cure such default, which such time frame shall be conclusive as between the parties, unless City disputes such time frame, in which event the City Commission shall determine the time frame that is reasonably needed to cure such default.

6.2 If Participant has failed to complete the cure by the end of the time frame designated as the reasonable additional time needed to cure as set forth in Section 6.1 above, then City shall be permitted to pursue any and all legal or equitable remedies to which it is entitled, including enforcement of its reversionary interest.

Declaration of Restrictive Covenants

Housing Authority / HOPWA

Rev. 07/18/2006

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Page 3 of 6

6.3 Any attempt by the City to pursue any of the above referenced remedies will not be deemed an exclusive election of remedy or waiver of the City's right to pursue any other remedy to which either may be entitled.

7. Reversionary Interest in Property.

7.1 City retains a reversionary interest in the Property for the Term of this Declaration in accordance with the provisions of Section 7 hereof.

7.2 In the event Participant is in default of the terms of this Declaration or the Participation Agreement and fails to timely cure such default in accordance with the provisions hereof, then the City shall have the right, but not the obligation, to exercise its reversionary interest by peaceably re-entering and taking possession of the Property and judicially enforcing its reversionary interest in the Property and to judicially terminate (and re-vest in the City) the estate conveyed by the Deed to the Participant, its successors and assigns, it being the intent of this provision, together with other provisions of this Declaration and the Participation Agreement, that the conveyance of the Property to the Participant shall be made upon, and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Participant as set forth herein and the failure on the part of the Participant to timely remedy, end, or abrogate such default, failure, violation, or other action or inaction, that in such instance, upon receiving notice of the City's exercise of its reversionary rights herein, the Participant shall yield up and surrender peacefully and quietly to the City the Property including the complete or incomplete Buildings and Improvements and any equipment located thereon which shall thereupon and thereafter belong to the City free and clear of any claims whatsoever of the Participant.

7.3 Participant hereby agrees to execute and deliver to City such instrument or instruments as shall be required by City as will properly evidence termination of Developer's rights hereunder or its interest therein when Participant receives notice of the City's exercise of its reversionary rights herein.

7.4 In the event the City elects to exercise its reversionary interests herein and provide notice thereof to Participant, City shall have the right to repossess the Property, and the Participant acknowledges and agrees that the interest of the Participant and any and all rights therein shall terminate and the Property shall be and become the property of the City free and clear of any and all claims, rights, liens or encumbrances by, through or under the Participant, and that such title and all rights and interests of the Participant, and any assigns or successors in interest to and in the Property, shall revert to the City.

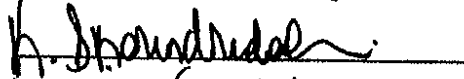
IN WITNESS WHEREOF, the City of Fort Lauderdale has executed this Declaration by and through its proper City officials.

(Signature)

WITNESSES:



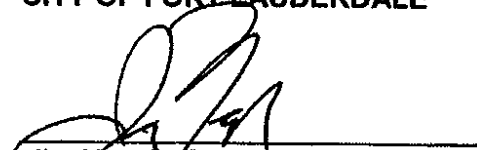
Amber Van Buren
[Witness print or type name]

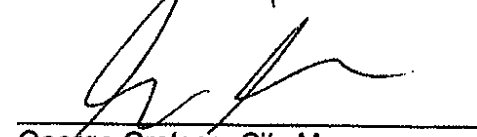


H. Soundradar
[Witness print or type name]

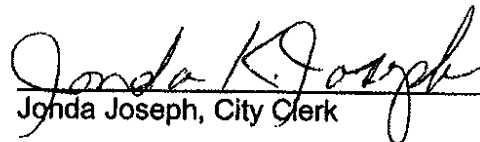
(CORPORATE SEAL)

CITY OF FORT LAUDERDALE


Jim Naugle, Mayor


George Gretsas, City Manager

ATTEST:


Jonda K. Joseph, City Clerk

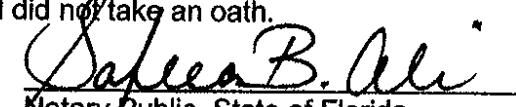
APPROVED AS TO FORM:


Robert B. Davis
City Attorney

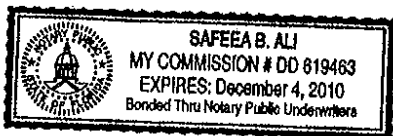
STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this September 6, 2007 2006, by JIM NAUGLE, Mayor of the City of Fort Lauderdale, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)


Safeya B. Ali
Notary Public, State of Florida
(Signature of Notary taking Acknowledgment)

Safeya B. Ali
Name of Notary Typed,
Printed or Stamped



My Commission Expires: December 4, 2010

#DD619463
Commission Number

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Housing Authority / HOPWA
Rev. 07/18/2006

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STATE OF FLORIDA:
COUNTY OF BROWARD:

The foregoing instrument was acknowledged before me this 5th September, 2006, by GEORGE GRETSAS, City Manager of the City of Fort Lauderdale, a municipal corporation of Florida. He is personally known to me and did not take an oath.

(SEAL)



Donna M. Samuda
Notary Public, State of Florida
(Signature of Notary taking
Acknowledgment)

DONNA M. SAMUDA
Name of Notary Typed,
Printed or Stamped

My Commission Expires:

DD 385151
Commission Number

Handwritten initials