AMENDED AFFORDABLE HOUSING RESTRICTIVE COVENANT AND AMENDED AGREEMENT

THIS AMENDED AFFORDABLE HOUSING RESTRICTIVE COVENANT AND AMENDED AGREEMENT (this “Amended Agreement”) is made and entered into this 13th day of May, 2014, by GRAND COUNTY HOUSING AUTHORITY, an independent public body politic and corporate, constituting a public instrumentality of the State of Colorado ("Housing Authority"), and TEVERBAUGH-HEATON ENTERPRISES, INC., a Colorado corporation ("T-HE").

RECITALS

A. T-HE is the owner of that certain parcel of real property located in the Town of Winter Park, Grand County, Colorado commonly known as “Millers Inn” and more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the “Property”), which T-HE desires to sell to the Housing Authority for the purpose of providing affordable housing to qualified residents in Grand County, Colorado.

B. The Housing Authority is organized for public purposes that include the provision of affordable housing within Grand County.

C. Subsequent purchasers of the Property will benefit from the limitation on the purchase and sale price of portions of the Property which this Amended Agreement requires.

D. Pursuant to that certain Contract to Buy and Sell Real Estate (Commercial) dated August 20, 2002 by and between T-HE, as “Seller,” and the Housing Authority, as “Buyer,” as amended, the Housing Authority purchased the Property described therein and converted the Property into an affordable residential fee simple condominium community consisting of “Units” in accordance with the provisions of the Colorado Common Interest Ownership Act, Section 38-33.3-101 et seq., C.R.S., as amended (the “Act”).

E. The intent of T-HE is to preserve through this Amended Agreement the affordability of the Units for “Qualified Buyers” and “Qualified Residents” (as those terms are hereinafter defined), and to assign to the Housing Authority the right and responsibility to enforce compliance with this Amended Agreement.

F. Under this Amended Agreement, T-HE intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use of the Units to be created by the Housing Authority within the Property pursuant to the Act shall be and are hereby declared to be covenants running with title to the Property and are intended to be binding upon T-HE, the Housing Authority following closing of its purchase of the Property, and all subsequent owners of the Units until and unless this Amended Agreement is released and terminated in the manner hereafter described.
G. T-HE and the Housing Authority acknowledge that by entering into this Amended Agreement, the Housing Authority has acted in its proprietary capacity and for the private advantage of its constituents and for itself as a legal entity.

H. The parties desire to amend these covenants to add and include Winter Park Affordable Housing Corporation, Inc. under the definition of “Qualified Buyer and Qualified Resident.”

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the promises and covenants hereinafter set forth, the parties hereby declare, covenant and agree as follows:

AMENDED AGREEMENT

ARTICLE I
DEFINITIONS

In addition to other capitalized terms defined elsewhere in this Amended Agreement, the following capitalized terms used in this Amended Agreement shall have the following respective meanings:

“First Mortgage” means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

“First Mortgagee” means a Mortgagee under a First Mortgage.

“Garage Unit” means a physical portion of the condominium community to be created by the Housing Authority on the Property that is designed for vehicle parking and designated for separate ownership by an Owner. Each Garage Unit shall consist of an uncovered, outdoor single vehicle parking pad and the immediately adjacent, enclosed space bounded by the unfinished perimeter walls, ceiling, floor, and door thereof. A Garage Unit shall include any drywall, wood, paint, or any other wall, ceiling, or floor covering, door and door frame and windows, if any. The Garage Unit shall include fixtures and hardware and all improvements contained within the unfinished perimeter walls, ceilings, and floors thereof; provided, however, that a Garage Unit shall not include any of the structural components of the building or utility or service lines located within the Garage Unit which serve more than one Unit, and a Garage Unit does not include the undecorated or unfinished surfaces of the perimeter walls, floors or ceilings of the Garage Unit.

“Mortgage” means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.
“Mortgagee” means any Person named as a mortgagee or beneficiary in any Mortgage and any successor to the interest of any such Person under a Mortgage.

“Owner” means the record holder of legal title to the fee simple interest in any Unit or portion thereof to be created by the Housing Authority on the Property. If there is more than one record holder of legal title to a Unit, each record holder shall be an Owner. The term “Owner” includes the Housing Authority to the extent that the Housing Authority is the record holder of legal title to the fee simple interest in a Unit.

“Person” means any natural person, corporation, partnership, limited liability company, association, trust, trustee, governmental or quasi-governmental entity or any other entity capable of owning real property under the laws of the State of Colorado.

“Qualified Buyers” and “Qualified Residents” are used interchangeably and for all Units, with the exception of the “Balcony House” Unit to be created by the Housing Authority upon conversion of the Property to an affordable residential fee simple condominium community, the terms shall initially mean and refer to a natural Person or natural Persons within a household who meet the following requirements:

(a) Currently working or been hired to work in Grand County as an employee or sole proprietor who is actively involved in his/her own business.

(b) Works a minimum of thirty-two (32) hours per week, or at least 1,200 hours annually for a Grand County employer.

(c) Does not own any other residential real estate or a mobile home as rental property at the time they occupy one of the Units except to the extent permitted in Paragraph 1 of Article IV below. For purposes of this subparagraph, if a Person owns vacant land during the time of ownership of a Unit and improves that vacant land with a residence, when that Person receives a Certificate of Occupancy for that residence, that Person will be deemed to “own other residential real estate.”

(d) Upon purchase of a Residential Unit, the Purchaser shall occupy the Unit as their primary residence.

(e) All Persons owning a Unit shall have an household income at the time of acquisition of title to that Unit which is not greater than 115% of area median income, as determined by the Housing Authority.

The term shall include and mean the Winter Park Affordable Housing Corporation, Inc. who shall be afforded all rights and responsibilities as an owner and qualified buyer pursuant to the covenant.
For the “Balcony House” Unit, the term shall initially mean and refer to Teverbaugh-Heaton Management Company, Inc., and in the future, the term shall mean and refer to a Grand County, Colorado employer who owns or occupies the “Balcony House” Unit for use as rental housing for its employees and others.

“Residential Unit” means a physical portion of the condominium community to be created by the Housing Authority on the Property that is designed for human habitation and designated for separate ownership by an Owner. Each Residential Unit shall consist of enclosed rooms bounded by the unfinished perimeter walls, ceilings, floors, doors, and windows thereof. A Residential Unit shall include any drywall, wall paneling, wood, tile, paint, paper, carpeting, or any other wall, ceiling, or floor covering, windows and window frames, shutters, awnings, doorsteps, stoops, doors and door frames. The Residential Unit shall also include any fireplace or stove hearth, facing brick, tile or fire box. The Residential Unit shall further include fixtures and hardware and all improvements contained within the unfinished perimeter walls, ceilings, and floors, including, without limitation, that portion of the plumbing and mechanical systems exclusively serving the individual Residential Unit; provided, however, that a Residential Unit shall not include any of the structural components of the building or utility or service lines located within the individual Residential Unit which serve more than one Unit, and a Residential Unit does not include the undecorated or unfinished surfaces of the perimeter walls, floors or ceilings of the Residential Unit.

“Unit” means either a Residential Unit or a Garage Unit. The Housing Authority will create ten (10) Residential Units and five (5) Garage Units within the condominium community to be created by the Housing Authority on the Property.

ARTICLE II
AMENDED AGREEMENT BINDS THE PROPERTY

This Amended Agreement shall constitute a covenant running with title to the land and as a burden thereon, for the benefit of, and enforceable by, the Housing Authority and its successors and assigns. This Amended Agreement shall bind each Unit Owner, and each Unit Owner shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during the Unit Owner’s period of ownership of a Unit. Each and every conveyance of a Unit, for all purposes, shall be deemed to include and incorporate by this reference, the covenants contained in this Amended Agreement, even without reference to this Amended Agreement in any document of conveyance.

ARTICLE III
NATURAL PERSONS

Other than the Housing Authority, the Winter Park Affordable Housing Corporation and the Owner of the “Balcony House” Unit to be created by the Housing Authority upon conversion of the Property to an affordable residential fee simple condominium community in accordance
with the provisions of the Act as aforesaid, the use and occupancy of the Units shall be limited exclusively to housing for natural persons who meet the definition of Qualified Buyers or Qualified Residents.

ARTICLE IV
REstrictions

1. Master Deed Restrictions. A Unit Owner shall:

   A. Occupy the Unit as his or her sole place of residence, except as otherwise provided herein. The Units shall be utilized only as the exclusive and permanent place of residence of the respective Unit Owner, except in the case of the “Balcony House” Unit which shall be utilized for rental by the Unit Owner’s employees and others. A permanent residence shall mean the home or place in which one’s habitation is fixed and to which one, whenever he or she is absent, has a present intention of returning after a departure or absence therefrom. In determining what is a permanent residence, the Housing Authority may take into account, without limitation, the following circumstances relating to a Unit Owner: location of business pursuits, employment and income sources; residence for income tax purposes; residence of parents, spouse and children, if any; location of personal and real property; and motor vehicle registration. By way of example, a Unit Owner may be deemed to have changed his or her permanent residence by becoming a resident elsewhere, by accepting permanent employment outside Grand County, or by residing in the Unit for fewer than eight (8) months per calendar year without the express written approval of the Housing Authority. In the event a Unit Owner changes residence or ceases to utilize the Unit as his or her exclusive and permanent place of residence, as determined by the Housing Authority, the Housing Authority shall have all of its rights under and pursuant to the “Housing Authority’s Purchase Option” and the “Housing Authority’s Right of First Refusal” (as those terms are hereinafter defined). If at any time the Unit Owner also owns any interest alone or in conjunction with others in any other developed residential property, the Unit Owner shall immediately list such other property interest for sale and sell his or her interest in such property. In the event said other property has not been sold by the Unit Owner within one hundred eighty (180) days of its listing required hereunder (or such longer period as may be approved in writing by the Housing Authority in its sole discretion), then the Housing Authority shall have all of its rights under and pursuant to the Housing Authority’s Purchase Option and the Housing Authority’s Right of First Refusal. It is understood and agreed between the parties hereto that, in the case of a Unit Owner whose business is the construction and sale of residential properties or the purchase and resale of such properties, the properties which constitute inventory in such a Unit Owner’s business shall not constitute “other developed residential property” as that term is used in this paragraph.

   B. Not engage in any business activity on or in such Unit, except home occupations as allowed by the regulations of the Town of Winter Park.

   C. Not sell or otherwise transfer such Unit except in accordance with the terms of this Article IV.
D. Not sell or otherwise transfer such Unit for use in a trade or business, except home occupations as allowed by the regulations of the Town of Winter Park and subject to the terms of this Article IV.

E. Not permit any use or occupancy of such Unit except in compliance with the terms of this Article IV.

F. Not encumber the Unit in an amount in excess of the purchase price originally paid by the current Owner of the Unit.

G. Not default in payment or other obligations to a Mortgagee. Unit Owners must notify the Housing Authority in writing, within five (5) calendar days of the Unit Owner’s notification from a Mortgagee of any notification from such Mortgagee of past due payments or default in payment or other obligations due or to be performed under a Mortgage. Upon notification from a Unit Owner as provided in this paragraph, or other notice of such default, the Housing Authority, at its sole discretion, may offer loan counseling or distressed loan services to the Unit Owner, if any of these services are available. The Housing Authority shall have the additional right, in its sole discretion, to directly cure the default or any portion thereof. In such event, the Unit Owner shall be required to execute a promissory note (the “Housing Authority Note”) in favor and to the order of the Housing Authority for the amounts expended by the Housing Authority to cure the default, including attorneys’ fees and costs incurred by the Housing Authority, and any future advances made for such purposes, plus a deed of trust securing payment thereof encumbering the Unit in favor and for the use and benefit of the Housing Authority. The Unit Owner shall be personally liable to the Housing Authority for, and the amount reflected in the Housing Authority Note, all payments made by the Housing Authority to cure the default, all actual expenses of the Housing Authority incurred in curing the default, including attorneys’ fees and costs made or incurred by the Housing Authority, plus an amount equal to one percent (1%) of the costs so expended, together with interest thereon at the rate specified in the Housing Authority Note. The Unit Owner may cure the default and satisfy its obligation to the Housing Authority under this paragraph at the time specified in the Housing Authority Note, but in any event prior to the sale or other transfer of the Unit to a Qualified Buyer. Otherwise, the Unit Owner’s indebtedness to the Housing Authority shall be satisfied from the Unit Owner’s proceeds from the sale or other transfer of the Unit at the closing thereof.

H. Not, except with prior written approval of the Housing Authority and subject to the Housing Authority’s conditions of approval, rent his or her Unit for any period of time. Prior to occupancy, any tenant must be approved by the Housing Authority as a Qualified Resident. Except as provided below, the Housing Authority shall not approve any Unit rental if such rental is being utilized by the Unit Owner as an income producing asset. The Housing Authority shall not approve a lease with a rental term less than thirty (30) days, or with a term longer than six (6) months without reasonable evidence that a lease longer than six (6) months is necessary as determined by the Housing Authority. A signed copy of the lease must be provided
to the Housing Authority prior to occupancy by any tenant. Any such lease approved by the Housing Authority shall be for a rental amount equal to the monthly expenses attributable to the Unit, including but not limited to the cost of principal and interest payments, taxes, property insurance, condominium association assessments, utilities remaining in the Unit Owner’s name, plus an additional twenty dollars ($20.00), and a reasonable (refundable) security deposit. If the Unit is not encumbered by a Mortgage, for purposes of calculating the applicable rental amount, principal and interest will be computed by using a Mortgage amount equal to ninety-five percent (95%) of the consideration stated in the last recorded conveyancing deed for the Unit, a 30-year Mortgage term, and a fixed interest rate equal to the prevailing market interest rate for similar Mortgage loans offered at or about the time of recordation of the last conveyancing deed for the Unit, all as determined in the sole discretion of the Housing Authority. The requirements of this paragraph shall not preclude the Unit Owner from sharing occupancy of the Unit with non-Owners (including “Non-Qualified Owners” as described in Section 10 of this Article IV) on a rental basis provided the Unit Owner continues to meet the definition of Qualified Buyer or Qualified Resident. NOTHING HEREBIN SHALL BE CONSTRUED TO REQUIRE THE HOUSING AUTHORITY OR GRAND COUNTY TO PROTECT OR INDEMNIFY ANY UNIT OWNER AGAINST ANY LOSSES ATTRIBUTABLE TO THE RENTAL OF A UNIT, INCLUDING, WITHOUT LIMITATION, NON-PAYMENT OF RENT OR DAMAGE TO THE UNIT; NOR TO REQUIRE THE HOUSING AUTHORITY OR GRAND COUNTY TO OBTAIN A QUALIFIED TENANT FOR ANY UNIT OWNER IN THE EVENT THAT NONE IS FOUND BY THE UNIT OWNER. Notwithstanding anything to the contrary contained in this Paragraph, the provisions of this Paragraph shall not apply to rentals of the “Balcony House” Unit to be created by the Housing Authority upon conversion of the Property to an affordable residential use simple condominium community.

2. **Voluntary Sale of Unit By Owner.** In the event that a Unit Owner desires to sell or transfer his or her title to a Unit, the Unit Owner shall provide to the Housing Authority a written notice of the Unit Owner’s intent to sell or otherwise transfer title to the Unit (“Notice of Intent”). Upon the Housing Authority’s receipt of a Unit Owner’s Notice of Intent, the Housing Authority shall have the option to purchase title to the Owner’s Unit upon the terms and conditions set forth in Paragraph 12 of this Article IV (the “Housing Authority’s Purchase Option”). Alternatively, if the Housing Authority does not exercise the Housing Authority’s Purchase Option upon the terms and conditions set forth in Paragraph 12 of this Article IV, the Housing Authority shall have the right of first refusal to purchase title to the Owner’s Unit upon the terms and conditions set forth in Paragraph 13 of this Article IV (the “Housing Authority’s Right of First Refusal”).

3. **Maximum Sales Price.**

   A. **Maximum Sales Price - First Transfer of the Units from the Housing Authority.** The first transfer of title to the Units from the Housing Authority may not be for more consideration than the following amounts:
Residential Unit 1, Mountain Birch
Residential Unit 2, Juniper
Residential Unit 3, Quaking Aspen
Residential Unit 4, Alpine Fir
Residential Unit 5, Englemann Spruce
Residential Unit 6, Lodgepole Pine
Residential Unit 7, Cottonwood
Residential Unit 8, Alder
Residential Unit 9, Balcony House
Residential Unit 10, Alpine Sunflower
Garage Unit 1
Garage Unit 2
Garage Unit 3
Garage Unit 4
Garage Unit 5
$87,000
87,000
65,000
50,000
82,000
92,000
40,000
55,000
155,000
120,000
17,500
17,500
17,500
17,500
12,000

B.  Maximum Sales Price After the First Transfer. After the first transfer of title to the Units, in no event shall title to a Unit be sold or otherwise transferred for an amount in excess of an amount (the “Maximum Sales Price”) calculated as follows:

1. The Unit Owner’s original purchase price, plus the lesser of either (a) an increase of three percent (3%) of such Owner’s purchase price per year from the date of the Owner’s acquisition of title to the Unit to the date of closing of the Owner’s transfer of title to a new Owner (prorated at the rate of 0.25% percent for each whole month), or (b) the percentage increase in the figure that reflects the annual area median income of a family of four for Grand County as determined by the United States Department of Housing and Urban Development, or any successor thereto, between the date of the Owner’s acquisition of title to the Unit to the date of closing of the Owner’s transfer of title to a new Owner.

2. Add to the amount determined pursuant to subparagraph (1) above, the amount of “Eligible Capital Improvements” (as that term is hereinafter defined) that have been approved by the Housing Authority up to the time of transfer.

3. Add to the amounts determined pursuant to subparagraphs (1) and (2) above, the costs of any public improvements for which assessments were imposed by any municipal special improvement district as created by or with the Town of Winter Park since the date of recordation of this Amended Agreement.

4. Deduct from the amounts determined pursuant to subparagraphs (1), (2) and (3) above, the amount of any “Excessive Damage Assessment” (as that term is hereinafter defined). The Owner shall maintain the Unit in good, safe, and habitable condition in all respects, except for normal wear and tear, and in full compliance with all
applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Unit. The Owner shall suffer no mechanics liens to be recorded against the Unit. Shortly before the Maximum Sales Price is determined, the Housing Authority shall have the right to inspect the Unit to determine whether the Owner has complied fully with these maintenance obligations. If, after such an inspection, the Housing Authority determines in its judgment that the Owner has not fully complied with this obligation, the Housing Authority shall determine in its judgment the cost to complete such repairs, replacements, and other work necessary to restore the Unit to a good, safe and habitable condition in all respects, and to bring it into full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Unit. This amount shall be called the “Excessive Damage Assessment,” and it shall be included in the calculation of the Maximum Sales Price.

4. **Eligible Capital Improvements.** Only capital improvements to Units approved in advance by the Housing Authority, which approval may be withheld in the Housing Authority’s sole and exclusive discretion, shall be “Eligible Capital Improvements.” Nothing in this Amended Agreement shall prohibit an Owner from making an improvement to a Unit which does not qualify as an Eligible Capital Improvement. However, only Eligible Capital Improvements may be included in the calculation of the Maximum Sale Price of the Unit, as set forth herein.

5. **Procedure for Approval of Proposed Eligible Capital Improvements.** In order to qualify as an Eligible Capital Improvement, each expenditure must be conditionally approved in advance by the Housing Authority and, after a proposed Eligible Capital Improvement has been completed, it must be finally approved by the Housing Authority as an Eligible Capital Improvement and the amount thereof must be determined by the Housing Authority.

   A. The Owner must submit in advance to the Housing Authority detailed plans for each proposed Eligible Capital Improvement and an itemization of the expected costs. Within fourteen (14) days after this information is received by the Housing Authority, it will notify the Owner in writing whether or not the proposed expenditure is conditionally approved as an Eligible Capital Improvement.

   B. Within ninety (90) days after the proposed Eligible Capital Improvement has been completed, the Owner shall submit to the Housing Authority true and correct copies of any building permit or certificate of occupancy required to be issued by the Town of Winter Park with respect to the proposed Eligible Capital Improvements and complete documentation showing all costs thereof. This documentation shall be reasonably satisfactory to the Housing Authority. If bartered goods or services were included in the cost, the Owner must submit an independent valuation of the value of those goods or services. If labor of the Owner, his or her spouse, domestic partner, children or parents for construction work is included within the cost, a detailed account of the work and the time spent on the work shall be submitted along with two
estimates of the value of that work by at least two construction contractors licensed by the Town of Winter Park.

C. The Housing Authority shall have the right to inspect the Unit at times that are mutually convenient to the Housing Authority and the Owner to confirm that the proposed Eligible Capital Improvements have been completed in a workmanlike manner and to determine the reasonable value thereof. If the Housing Authority, in its reasonable discretion, is unsatisfied with the documentation provided by the Owner, it may base its determination of the value of the improvements upon the valuation of a person chosen by the Housing Authority who is knowledgeable about local construction costs and practices. At the conclusion of this process, the Housing Authority shall notify the Owner in writing if the improvement has been approved as an Eligible Capital Improvement and the amount thereof.

6. Dispute Resolution. If the Owner reasonably disputes the Housing Authority’s determination of the amount of an Eligible Capital Improvement or of an Excessive Damage Assessment, the Owner may request that the dispute be arbitrated. The Owner shall choose the arbitrator from a list provided by the Housing Authority, and the arbitration shall be conducted in accordance with the applicable rules of the American Arbitration Association, or of any similar successor organization. The decision of the arbitrator shall be final and binding upon the parties. The Owner shall pay for all costs of the arbitration, whatever the arbitrator’s decision may be.

7. No Guarantee of Price. NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTEE BY THE HOUSING AUTHORITY THAT THE UNIT OWNER WILL BE ABLE TO OBTAIN THE MAXIMUM SALES PRICE, AND THE HOUSING AUTHORITY HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY THAT MIGHT OTHERWISE BE ALLEGED OR ATTRIBUTED.

8. No Assumption of Owner’s Costs. No Owner shall permit any prospective buyer to assume any or all of the Owner’s customary closing costs, nor accept any other consideration which would cause an increase in the purchase price above the Maximum Sales Price. Each Owner shall pay all costs of advertising and marketing his, her or its Unit for sale, including real estate sales commissions and fees paid to the Housing Authority or other Persons.

9. No Sales or Transfer Price in Excess of Maximum Sales Price. In the event the Housing Authority elects not to exercise the Housing Authority’s Purchase Option or the Housing Authority’s Right of First Refusal with respect to a proposed sale or transfer of title to an Owner’s Unit, and the purchase price for such title to be paid to an Owner by a Qualified Buyer is in excess of the Maximum Sales Price, at closing of such transfer the selling Owner shall be entitled to a closing purchase price credit equal only to the Maximum Sales Price, and any portion of the purchase price for such title which is in excess of the Maximum Sales Price shall be credited to and paid over to the Housing Authority at such closing.
10. **Non-Qualified Owners.** In the event that title to a Unit vests by descent or other means in a Person or Persons who do not meet the definition of a Qualified Buyer or Qualified Resident, such Person or Persons shall immediately provide written notice to the Housing Authority of such fact and upon the Housing Authority’s receipt of such notice, such Person or Persons shall thereafter be deemed to be a “Non-Qualified Owner.” Alternatively, in the event that the current Owner is determined by the Housing Authority to no longer meet the definition of a Qualified Buyer or Qualified Resident or to satisfy the requirements of Section 1(A) of this Article IV, the Housing Authority shall promptly provide written notice to the Owner of such fact and such Owner shall thereafter be deemed to be a “Non-Qualified Owner.” Notwithstanding anything to the contrary contained in the immediately preceding sentence, however, (A) if the current Owner satisfies all of the requirements contained in the definition of a Qualified Buyer or Qualified Resident to the satisfaction of the Housing Authority with the exception of the requirements to be currently working a minimum of thirty-two (32) hours per week, or at least 1,200 hours annually for a Grand County employer as a result of retirement from active employment, and (B) if the current Owner has been the current Owner of the Unit for at least five (5) continuous years and satisfied all of the requirements contained in the definition of a Qualified Buyer or Qualified Resident during that entire time, and (C) if the current Owner has reached the age of 65 years, then the Current Owner will be allowed to retain ownership of the Unit and not be classified as a Non-Qualified Owner until that Owner’s death or until violation of any other requirements or conditions contained in the definition of a Qualified Buyer or Qualified Resident or to satisfy the requirements of Section 1(A) of this Article IV. Upon the Housing Authority’s giving or receipt of the written notice described in this Section, the Housing Authority may exercise the Housing Authority’s Purchase Option as provided in Paragraph 11 of this Article IV. Alternatively, the Housing Authority shall have the Housing Authority’s Right of First Refusal with respect to any proposed sale or other transfer of title to the Non-Qualified Owner’s Unit as provided in Paragraph 12 of this Article IV. Non-Qualified Owner(s) shall join in any sale, conveyance or transfer of title to its Unit to a Qualified Owner and shall execute any and all documents and take all other actions necessary to do so. Non-Qualified Owner(s) shall not be permitted to occupy a Unit, or rent all or any part of a Unit, except in strict compliance with Paragraph 1(H) of this Article IV, or violate any of the restrictions on ownership described in this Amended Agreement without the written consent of the Housing Authority, which consent may be withheld by the Housing Authority in its sole discretion.

11. **Inspection Upon Reasonable Cause; Notice and Hearing.** In the event that the Housing Authority has reasonable cause to believe that a Unit Owner is violating any provision of this Amended Agreement, the Housing Authority, through its authorized representative, may inspect the Unit between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing the Unit Owner with no less than twenty-four (24) hours’ prior written notice. In the event a violation of this Amended Agreement is discovered, the Housing Authority shall send a notice of violation to the Unit Owner detailing the nature of the violation and allowing the Unit Owner fifteen (15) days to cure. Said notice shall state that the Unit Owner may request a hearing before the Housing Authority within fifteen (15) days to determine the merits of the allegations. If no hearing is requested and the violation is not cured within the fifteen (15) day
period, the Unit Owner shall be considered in violation of this Amended Agreement. If a hearing is held before the Housing Authority, the decision of the Housing Authority based on the record of such hearing shall be final for the purpose of determining if a violation has occurred.

12. The Housing Authority’s Purchase Option. Upon either the Housing Authority’s receipt from an Owner of a Notice of Intent to sell or otherwise transfer title to that Owner’s Unit, or upon the Housing Authority’s determination pursuant to Paragraph 11 of any breach or violation of any restriction contained in this Amended Agreement (following notice, opportunity to cure and a hearing with respect to such breach or violation if required by the terms of this Article IV)(the Housing Authority’s receipt of such Notice of Intent or determination of a breach or violation is hereinafter referred to as a “Purchase Option Trigger Event”), the Housing Authority shall have the right and option to purchase title to the Owner’s Unit (the “Housing Authority’s Purchase Option”) for the Maximum Sales Price or the appraised market value of the Unit, whichever is less (the “Option Price”). The Housing Authority’s Purchase Option is exercisable by the Housing Authority’s delivery of notice of exercise to the subject Owner(s) within a period of fifteen (15) thirty (30) calendar days after the occurrence of the Purchase Option Trigger Event. Closing of the sale of the Owner’s Unit to the Housing Authority shall occur on a date designated by the Housing Authority within forty-five (45) days of the Housing Authority’s exercise of the Housing Authority’s Purchase Option or at a later date if agreed to by Housing Authority and the owner. At the time of first acquiring title to a Unit, each Owner shall execute all deeds and other transfer instruments and closing documents reasonably requested by the Housing Authority to effectuate the transfer of title to The Housing Authority following exercise of the Housing Authority’s Purchase Option, if ever. Such instruments and other documents shall be deposited in an escrow account with a Grand County title insurance company selected by the Housing Authority, which escrow shall permit the recordation of all instruments required to legally transfer title to the Owner’s Unit to the Housing Authority upon the Housing Authority’s payment of the Option Price into the escrow for the benefit of the selling Owner.

13. The Housing Authority’s Right of First Refusal. In the event the Housing Authority elects in its sole discretion not to exercise the Housing Authority’s Purchase Option, the Housing Authority shall have a right of first refusal to acquire title to a Unit upon the terms and conditions described in this paragraph (the “The Housing Authority’s Right of First Refusal”). If after expiration of the Housing Authority’s Purchase Option with respect to a particular Owner’s Unit, that Owner receives a third party offer to buy that Owner’s Unit, which offer the Owner intends to accept, such Owner shall provide the Housing Authority written notice of such offer together with a copy of the offer and any written purchase contract executed in connection therewith (the Housing Authority’s receipt of such written notice is hereinafter referred to as a “Right of First Refusal Trigger Event”). The Housing Authority shall have the first right to purchase title to the Owner’s Unit upon substantially the same terms and conditions described in the purchase offer delivered to the Housing Authority, and for a purchase price equal to either the purchase price stated in the Owner’s written notice to the Housing Authority, or the Maximum Sales Price for the Unit, whichever is less (the “Right of First Refusal Price”). The Housing Authority’s Right of First Refusal is exercisable by the Housing Authority’s
delivery of notice of exercise to the subject Owner(s) within a period of fifteen (15) calendar
days after the occurrence of the Right of First Refusal Trigger Event. Closing of the sale of the
Owner’s Unit to the Housing Authority shall occur on a date designated by the Housing
Authority within sixty (60) days of the Housing Authority’s exercise of the Housing Authority’s
Right of First Refusal. At the time of first acquiring title to a Unit, each Owner shall execute all
deeds and other transfer instruments and closing documents reasonably requested by the Housing
Authority to effectuate the transfer of title to the Housing Authority following exercise of the
Housing Authority’s Right of First Refusal, if ever. Such instruments and other documents shall
be deposited in an escrow account with a Grand County title insurance company selected by the
Housing Authority, which escrow shall permit the recordation of all instruments required to
legally transfer title to the Owner’s Unit to the Housing Authority upon the Housing Authority’s
payment of the Right of First Refusal Price into the escrow for the benefit of the selling Owner.

14. Termination of Restrictions Upon Foreclosure or Assignment to HUD. The
Housing Authority, pursuant to the Option and Procedures for Repurchase of a Unit or
Termination and Release of Deed Restrictions (the “Foreclosure Option”), attached hereto as
Exhibit B and incorporated into this Amended Agreement by this reference, shall release and
waive its ability to enforce any and all affordable housing restrictions contained in this Article IV
and in any other document relating to a Unit to which the Housing Authority is a party, in the
event of foreclosure or the acceptance of a deed in lieu of foreclosure with respect to that Unit
only, provided, however, that said Foreclosure Option first grants to the Housing Authority the
option to acquire the Unit on or before ten (10) days after the issuance of a public trustee’s deed
to the First Mortgagee, or its assigns or transferees as the case may be, for an option price (the
“Foreclosure Option Price”) not to exceed the redemption price on the last day of all statutory
redemption period(s) plus any additional reasonable costs incurred by the First Mortgagee during
the option period which are directly related to the foreclosure, as more fully described in said
Foreclosure Option. In the event that the Housing Authority exercises its Foreclosure Option
pursuant to the terms of said Exhibit B, the terms, conditions and restrictions contained in this
Article IV shall remain in full force and effect and the Housing Authority and/or its designee,
may sell the Unit to Qualified Buyers, or rent the Unit according to Paragraph 1(H) of this
Article IV, until such time that the Unit can be sold to a Qualified Buyer in accordance with the
terms of this Article IV. In the event the Foreclosure Option is not exercised upon the
foreclosure of a Unit and ten (10) days after issuance of a public trustee’s deed, the foreclosing
entity shall remit to the Housing Authority that portion of the net proceeds of the foreclosure
sale, after payment of all obligations to the holder of the deed of trust and foreclosure costs,
which exceeds the Maximum Sales Price that would have applied to the sale of the Unit if the
affordable housing restrictions embodied in this Article IV had continued in effect. THIS
PARAGRAPH 14 SHALL SURVIVE THE TERMINATION OF THE TERMS AND
RESTRICTIONS EMBODIED BY THIS ARTICLE IV WITH RESPECT TO THE UNIT
WHICH IS THE SUBJECT OF THE FORECLOSURE OR DEED IN LIEU OF
FORECLOSURE, INCLUDING ANY SUCH TERMINATION WITH RESPECT TO THAT
UNIT PURSUANT TO EXHIBIT B HEREOF. Subject to the foregoing provisions of this
Paragraph, all affordable housing restrictions contained in this Article IV and in any other
document relating to a Unit to which the Housing Authority is a party shall automatically terminate as to that Unit only in the event that the First Mortgage encumbering the Unit is assigned to the United States Department of Housing and Urban Development.

15. The Housing Authority's Administration of Article IV Restrictions: No Amendment or Termination Without The Housing Authority Consent. The parties acknowledge and agree that the provisions of this Article IV were and will continue to be a material part of T-HE's decision to convey the Property to the Housing Authority, and the Housing Authority's decision to acquire the Property and convert the Property into an affordable residential fee simple condominium community in accordance with the provisions of the Act and the Housing Authority's purpose to provide affordable housing opportunities in Grand County, Colorado. Each Owner of any portion of the Property acknowledges and agrees that by taking title to a Unit, (A) the Unit and the individual Unit Owner shall be subject to all of the terms, conditions and restrictions of this Article IV and all other provisions of this Amended Agreement, (B) each Unit Owner consents to the administration of the terms of this Article IV solely by the Housing Authority, and (C) notwithstanding any provision of this Amended Agreement to the contrary, the provisions of this Article IV may not be amended, modified or terminated without the prior written consent of the Housing Authority, which consent the Housing Authority may withhold in its sole discretion. Without limiting the generality of the foregoing, in no event may any Owner of any portion of the Property seek to, and each such Owner hereby waives all right to, amend, modify or terminate by any legal means any provision of this Article IV. The Housing Authority's rights and obligations under this Article IV shall be binding and in full force and effect in perpetuity, unless terminated as herein provided.

ARTICLE V
GENERAL PROVISIONS

1. No Conflicting Amended Agreement. No party to this Amended Agreement, nor any and all successors, assignees, grantees or other parties in subsequent interest to any part or the entirety of the Property may execute any other Amended Agreement with provisions contradictory to, or in opposition with, the provisions of this Amended Agreement, and in any event, it is agreed that the provisions of this Amended Agreement are paramount and controlling as to the rights, obligations and limitations set forth herein and shall supersede any other provision in conflict herewith.

2. Notices. All notices and demands required or permitted under this Amended Agreement shall be in writing, as follows: (1) by actual delivery of the notice to the party entitled to receive it; (2) by mailing such notice by certified mail, return receipt requested, in which case the notice shall be deemed to be given three days after the date of its mailing; (3) by Federal Express or any other overnight carrier, in which case the notice shall be deemed to be given as of the date it is sent; or (4) by facsimile to the facsimile number of the appropriate party indicated below, in which case it will be deemed received at the time indicated on the facsimile.
confirmation report. All notices which concern this Amended Agreement shall be sent to the address or facsimile number of the appropriate party set forth below:

Housing Authority:

Address: Grand County Housing Authority
P.O. Box 264
Hot Sulphur Springs, Co. 80451
Facsimile: (970) 725-3072
Telephone: (970) 725-3071

Teverbaugh-Heaton Enterprises, Inc.:

Address: T-HE, Inc.
P.O. Box 53
Winter Park, CO 80482

Telephone and Facsimile (970) 726-0250

To Unit Owner:

To the Unit address of the Unit Owner as set forth in the recorded deed by which the Unit Owner took title to the Unit.

3. Exhibits. All exhibits attached hereto (Exhibits A and B) are incorporated herein and by this reference made a part hereof.

4. Severability. Whenever possible, each provision of this Amended Agreement and any other related document shall be interpreted in such a manner as to be valid under applicable law; but if any provision of any of the foregoing shall be determined by a court of competent jurisdiction to be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of this Amended Agreement.

5. Binding Effect and Running with the Land. This Amended Agreement shall be binding upon and inure to the benefit of the parties, their respective heirs, successors, assigns, legal representatives and personal representatives, and all subsequent owners of the Property or any interest therein, and shall run with title to the Property. The Housing Authority agrees that this Amended Agreement does not constitute an unreasonable restraint on alienation of the Property or interests therein and that any and all requirements of the laws of the State of Colorado to be satisfied in order for the provisions of this Amended Agreement to constitute a restrictive covenant running with title to the land shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, or in the alternative, that an
equitable servitude has been created to ensure that the covenants, conditions and restrictions set forth herein run with title to the Property. Each and every contract, deed or other instrument hereafter executed conveying the Property or any portion thereof or interest therein shall expressly provide that such conveyance is subject to this Amended Agreement; provided, however, that the covenants, conditions and restrictions contained herein shall survive and be effective as to successors and/or assigns of all or any portion of the Property, regardless whether such contract, deed or other instrument hereafter executed conveying the Property or any portion thereof or interest therein provides that such conveyance is subject to this Amended Agreement.

6. **Attorneys’ Fees.** If any action is brought by either party to this Amended Agreement concerning the enforcement, interpretation or construction of this Amended Agreement, the prevailing party, either at trial or upon appeal, shall be awarded its reasonable attorneys’ fees and costs, including expert witness’ fees, incurred in the prosecution or defense of such action.

7. **Applicable Law; Venue.** This Amended Agreement shall be governed by and construed and interpreted in all respects in accordance with the laws of the State of Colorado. Venue shall only be proper in the District Court of Grand County, Colorado.

8. **Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties.

9. **Section Headings.** Article and Section headings within this Amended Agreement are inserted solely for convenience or reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

10. **Waiver.** No claim of waiver, consent or acquiescence with respect to any provision of this Amended Agreement shall be valid against any party hereto except on the basis of a written instrument executed by the parties to this Amended Agreement. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

11. **Gender and Number.** Whenever the context so requires herein, the neuter gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.

12. **Further Actions.** The parties to this Amended Agreement agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Amended Agreement or any Amended Agreement or document relating hereto or entered into in connection herewith.
13. **Appropriation of Funds.** Notwithstanding anything to the contrary contained herein, the payment of all direct and indirect obligations hereunder, in fiscal years subsequent to the current fiscal year, are contingent upon funds for this Amended Agreement being duly appropriated and budgeted by the Housing Authority and/or Grand County. If funds for this Amended Agreement are not so appropriated and budgeted in any year subsequent to the fiscal year of execution of this Amended Agreement by the Housing Authority or Grand County, the Housing Authority and/or Grand County may terminate that affected portion of this Amended Agreement upon written notice to T-HE. This Amended Agreement is intended to be in compliance with the provisions of Article 25 of Title 30 of the Colorado Revised Statutes, and with the Local Government Budget Law (C.R.S. Section 29-1-101 et seq.).

14. **Governmental Immunity.** Neither party hereto intends to waive, by any provision of this Amended Agreement, the monetary limits or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, Section 24-10-101 et seq., C.R.S., as amended from time to time.

15. **No Benefit to Inure to Third Parties.** This Amended Agreement does not and shall not be deemed to confer upon or grant to any third party, including Unit Owners, any right to claim damages or to bring any lawsuit, action or other proceedings against either of the original parties hereto because of any breach or alleged breach hereof, or because of any terms, covenants, Amended Agreements or conditions contained herein.

16. **Perpetuities Sayings Clause.** If any of the terms, covenants, conditions, restrictions, uses, limitations, obligations or options created by this Amended Agreement shall be unlawful or void for violation of: (a) the rule against perpetuities or some analogous statutory provision; (b) the rule restricting restraints on alienation; or (d) any other statutory or common law rules imposing like or similar time limits, then such provision shall continue only for a period of the current duly elected and seated Board of the Housing Authority, their now living descendants, if any, and the survivor of them, plus twenty-one (21) years.

17. **Entire Amended Agreement; Modifications.** This Amended Agreement constitutes the entire Amended Agreement and understanding between the parties relating to the subject matter of this Amended Agreement, and supersedes any prior understanding or Amended Agreement relating thereto. The parties to this Amended Agreement agree that any modifications of this Amended Agreement shall be effective only when made by writings signed by both parties and recorded in the Grand County, Colorado real property records.

**IN WITNESS WHEREOF,** the parties hereto have executed this Amended Agreement on the day and year first above written.

**GRAND COUNTY HOUSING AUTHORITY,**

an independent public body politic and corporate,

constituting a public instrumentality of the State of Colorado
By: Gary Bumgarner
    Chairman

STATE OF COLORADO

COUNTY OF GRAND

The foregoing instrument was acknowledged before me this 13th day of May, 2014, by Gary Bumgarner, as Chairman of Grand County Housing Authority, an independent public body politic and corporate, constituting a public instrumentality of the State of Colorado, on behalf of the Authority.

WITNESS my hand and official seal.

My commission expires: 5.22.2015

TEVERBAUGH-HEATON ENTERPRISES, INC.,
a Colorado corporation

By: Harold N. Teverbaugh, President

STATE OF COLORADO

COUNTY OF GRAND

The foregoing instrument was acknowledged before me this 13th day of May, 2014, by Harold N. Teverbaugh, as President of Teverbaugh-Heaton Enterprises, Inc., a Colorado corporation, on behalf of the corporation.

WITNESS my hand and official seal.

My commission expires: 5.22.2015
EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Lot 1, Teverbaugh-Heaton Minor Subdivision, according to the plat thereof recorded December 7, 2001 at Reception No. 2001-012302 of the Grand County, Colorado real property records.
EXHIBIT “B”
FORECLOSURE OPTION AND PROCEDURES FOR REPURCHASE OF UNIT
OR
TERMINATION AND RELEASE OF DEED RESTRICTIONS

In the event of a foreclosure by a First Mortgagee on a Unit or Units within the condominium to be created on the Property by the Housing Authority as provided in the Amended Agreement, and subject to the issuance of a public trustee’s deed to the First Mortgagee following the expiration of all statutory redemption rights, the Housing Authority shall have an exclusive and irrevocable option to purchase or repurchase such Unit or Units together with the improvements thereon, and all the rights, ways, privileges and appurtenances belonging or in any way appertaining thereto, pursuant to Paragraph 14 of Article IV of the Amended Agreement (the “Foreclosure Option”). If the Foreclosure Option is not exercised, and if the procedures and notices required hereafter are satisfied, then any and all affordable housing restrictions relating to the Unit or Units subject to the foreclosure which are contained herein, in Paragraph 14 of Article IV of the Amended Agreement, and in any other document relating to that Unit or Units to which the Housing Authority is a party (collectively the “Affordable Housing Restrictions”), shall be terminated and released as provided below, subject to Paragraph 14 of Article IV of the Amended Agreement to which this Exhibit B is attached.

Exercise of the Foreclosure Option or termination of the Affordable Housing Restrictions on the Unit or Units subject to the foreclosure shall be as follows:

I. Notice of Foreclosure. In the event the First Mortgagee declares a violation of any of the covenants of a deed of trust on any Unit, it shall give to the Housing Authority notice of election and demand for sale or such other notice as is required by Colorado law when the holder of a deed of trust, containing a power of sale, declares a violation of any of the covenants of such deed of trust. Said notice shall be sent by certified mail, return receipt requested, and addressed as follows:

   Grand County Housing Authority
   P.O. Box 264
   Hot Sulphur Springs, CO 80451
   Attn: Executive Director

II. Notice of Issuance of Certificate of Purchase. First Mortgagee shall mail to the Housing Authority notice of issuance of the Certificate of Purchase from the Public Trustee to First Mortgagee within five (5) days of such issuance. Such notice shall be sent by certified mail, return receipt requested, and addressed to the Housing Authority as described in Section I hereof.

III. Exercise of Option/Notice of Assignment or Transfer.

   A. In the event the First Mortgagee assigns or transfers its Certificate of Purchase or public trustee’s deed to the Unit or Units subject to the foreclosure before the end of the “Foreclosure Option Period” (as defined below), the First Mortgagee shall give to the Housing Authority notice of such transfer or assignment, including the name and address of such transferee or assignee, within five (5) days of the transfer or assignment. Such notice shall be sent by certified mail, return receipt requested, and addressed to the Housing Authority as described in Section I hereof.
B. The Housing Authority’s Foreclosure Option shall be exercised by it, or its assigns, no later than ten (10) days after the issuance of the public trustee’s deed to the Unit or Units subject to the foreclosure (the “Foreclosure Option Period”). The Housing Authority shall exercise the option by written notice sent by certified mail, return receipt requested, and addressed to the last known address of the First Mortgagee, or its transferee or assignee as the case may be, containing an irrevocable offer to pay, in cash or certified funds, an amount equal to the redemption price which would have been required of the borrower, or any other person who might be liable upon a deficiency, on the last day of the statutory redemption period(s), plus any additional reasonable costs incurred by the First Mortgagee during the Option Period which are directly related to the foreclosure (the “Foreclosure Option Price”).

IV. Closing. The transaction shall be closed at a mutually agreeable location on or before fifteen (15) days after notice of exercise of the Foreclosure Option described in Section III above.

V. Title. At the closing described in Section IV above, upon receipt of the Foreclosure Option Price, the First Mortgagee, or its transferee or assignee as the case may be, shall deliver to the Housing Authority a special warranty deed, conveying to the Housing Authority the Unit or Units subject to the foreclosure. The First Mortgagee, or its transferee or assignee as the case may be, shall convey only such title as it received through the public trustee’s deed. The First Mortgagee, or its transferee or assignee as the case may be, shall not be liable for any of the costs of conveyance to the Housing Authority or its designee.

VI. Release of Deed Restrictions. In the event that the First Mortgagee, or its transferee or assignee as the case may be, is issued a public trustee’s deed and the Housing Authority or its assigns does not exercise the Foreclosure Option, the First Mortgagee, or its transferee or assignee as the case may be, may make written demand to the Housing Authority that it terminate and release the Affordable Housing Restrictions as applied to the Unit or Units subject to the foreclosure, subject to Paragraph 14 of Article IV of the Amended Agreement. Such demand shall be sent by certified mail, return receipt requested, and addressed to the Housing Authority as described in Section I hereof. Upon receipt of such demand, the Housing Authority shall cause to be recorded in the records of the Clerk and Recorder of Grand County a full and complete release of the Affordable Housing Restrictions as to the Unit or Units subject to the foreclosure, subject to Paragraph 14 of Article IV of the Amended Agreement. Such release shall be placed of record within fourteen (14) days after demand therefor by the First Mortgagee, or its transferee or assignee, as the case may be, and a certified copy of the release shall be mailed to the First Mortgagee, or its transferee or assignee, as the case may be, by the Housing Authority upon its recordation. Notwithstanding any provision to the contrary in this paragraph VI, if title to the Unit or Units subject to the foreclosure is transferred to the U.S. Department of Housing and Urban Development and the Housing Authority does not exercise the Foreclosure Option, then the Affordable Housing Restrictions shall automatically terminate without written demand by the U.S. Department of Housing and Urban Development, and the Housing Authority, within fourteen (14) days following expiration of the Option Period, shall cause to be recorded in the records of the Clerk and Recorder of Grand County a full and complete release of the Affordable Housing Restrictions as to the Unit or Units subject to the foreclosure, and a certified copy of the release shall be mailed to the U.S. Department of Housing and Urban Development, by the Housing Authority upon it recordation.

VII. Nonbusiness Day. If the closing date is to occur on a holiday or other nonbusiness day, or if any period of time set forth herein expires on a holiday or other nonbusiness day, then such closing date or expiration date shall be the next business day.
VIII. Notices. Unless otherwise specifically described herein, all notices provided or hereunder shall be deemed given and received 48 hours after the same are deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the applicable party at the address indicated herein.

IX. Perpetuities Savings Clause. If any of the terms, covenants, conditions, restrictions, uses, limitations, obligations or options created by this Foreclosure Option shall be unlawful or void for violation of: (A) the rule against perpetuities or some analogous statutory provision; (B) the rule restricting restraints on alienation; or (C) any other statutory or common law rules imposing like or similar time limits, then such provision shall continue only for a period of the lives of the current duly elected and seated Board of the Housing Authority, their now living descendants, if any, and the survivor of them, plus twenty-one (21) years.

X. Successors and Assigns. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to be binding upon the heirs, successors and assigns of the parties bound by this Foreclosure Option and Procedures.

XI. Modifications. The parties bound by this Foreclosure Option agree that any modification to this Foreclosure Option shall be effective only when made by writings signed by the Housing Authority and the First Mortgagee and recorded with the Clerk and Recorder of Grand County, Colorado.