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**OLDE SMITH FARM CONDOMINIUM
AFFORDABLE HOUSING COVENANT**

REGISTERED

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Grantor: / Stable Homes at Lexington, Inc. ("Stabile"), a New Hampshire corporation with its principal place of business at 21 Manchester Street, Merrimack, New Hampshire 03054

Enforcing Authority: / Lexington Housing Assistance Board, Inc. ("LexHAB"), with its usual place of business at 4 Militia Drive, Suite 3, Lexington, Middlesex County, Massachusetts 02421

Unit 15: Unit 15 (5 Chestnut Lane) in the condominium project known as Olde Smith Farm Condominium, Lexington, Middlesex County, Massachusetts ("Olde Smith Farm"), created by Master Deed dated July 24, 2002, registered with the Middlesex South Registry District of the Land Court as Document No. 1222646 and noted on Certificate of Title No. 0000469 in Book C29 at Page 24 and recorded with the Middlesex South Registry of Deeds as Instrument No. 428 of August 12, 2002 at Book ____, Page ____.

/ Unit 15 is shown on the plans filed with said Master Deed.

WHEREAS, Stabile applied for a Special Permit with Site Plan Review and Special Permit for the development of Olde Smith Farm (also known as and referred to herein as "Old Smith Farm"), and the Lexington Planning Board approved the Special Permit with Site Plan Review and Special Permit on September 8, 1999 (the "Approval");

WHEREAS, special condition number three of the Approval requires that the purchase price for Unit 15 shall not exceed the maximum purchase price established for an Affordable Housing Unit for an Upper Moderate Income Household, updated to the actual year of sale, in accordance with the Comprehensive Plan Definition of Households with Incomes Qualifying for Affordable Housing as set forth in the Lexington Planning Board's Inclusionary Housing Policy originally approved on December 9, 1985, as such policy may be subsequently amended (as amended, the "Inclusionary Housing Policy"), and that, to be eligible to purchase Unit 15, a prospective purchaser's annual household income shall not exceed the annual income range for an Upper Moderate Income Household (the "Upper Income Range"), as such range is set forth in the Inclusionary Housing Policy;

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, Stabile does hereby subject Unit 15 to the following rights and restrictions which are hereby imposed for the benefit of, and shall be enforceable by, the Town of Lexington, acting through LexHAB and its successors, assigns and designees:

1. Resale and Transfer Restrictions. Unit 15 shall not at any time be sold, conveyed or otherwise transferred, and no attempted sale, conveyance or transfer thereof shall be valid, unless: (a) the aggregate value of all consideration and payments of every kind given or paid by the purchaser to the owner of Unit 15 for and in connection with the transfer of Unit 15 (the "Consideration") is equal to or less than the Maximum Resale Price for such unit, (b) the income of the prospective purchaser of Unit 15 does not exceed the Upper Income Range mentioned above, and (c) the seller of Unit 15 gives a preference (which preference shall be determined in cooperation with LexHAB and approved in writing by LexHAB in LexHAB's sole discretion) to prospective purchasers of Unit 15 who have a connection to the Town of Lexington, including, but not limited to, buyers who: (i) work for the Town of Lexington or work in Lexington, (ii) live in or have lived in Lexington or have family in Lexington, or (iii) have children enrolled in the Lexington Public Schools.

The "Maximum Resale Price" for Unit 15 shall be calculated as provided in the Inclusionary Housing Policy so that Unit 15 qualifies as an Affordable Housing Unit for an Upper Moderate Income Household upon each sale of such unit. The Grantor understands and agrees that nothing in this Covenant in any way constitutes a promise or guarantee by LexHAB that the Grantee shall actually receive the Maximum Resale Price for Unit 15.

2. Approval Documents from Owner.

(a) Prior to the selection of any prospective purchaser for Unit 15, the record owner of Unit 15 shall contact LexHAB and work in good faith with LexHAB to establish a preference for prospective purchasers who have a connection to the Town of Lexington as described above.

(b) Upon the execution of any contract or agreement for the sale, conveyance or transfer of Unit 15, the record owner of Unit 15 shall deliver to LexHAB a copy of such contract or agreement and the affidavits that are described below, which affidavits shall be executed under oath and acknowledged by both the prospective purchaser of Unit 15 and the then-current owner of Unit 15 (collectively, the "Approval Documents").

Each affidavit referenced above shall state and affirm:

(i) The names and ages of all persons in the prospective purchaser's household;

(ii) The adjusted gross income of each member of the household of the prospective purchaser for the two (2) completed calendar years preceding the date of the affidavit, as declared on the federal income tax returns (Form 1040 or Form 1040A or any equivalent or successor form) of all members of such household for such two (2) years or as intended to be so declared if federal income tax returns for such years shall not have been filed as of the date of the affidavit by any such household member, and evidence, if any, of medical expenses of any member of such household in excess of three percent (3%) of the adjusted gross income of such member for either of such two (2) preceding years, which expenses may, in

LexHAB's sole discretion, reduce the annual household income of a prospective purchaser of Unit 15;

(iii) The manner in which the prospective purchaser satisfies the preference criteria set forth above or the reason that such criteria will not be satisfied;

(iv) That the annual household income of such prospective purchaser for the then-current calendar year will not exceed the Upper Income Range set forth in the then-current Moderate Income Guidelines; and

(v) The agreed purchase price, including the aggregate value of all Consideration previously given or paid or subsequently to be given or paid by such prospective purchaser to the seller of the Unit for or in connection with the transfer of the Unit or any interest therein, and the fact that such purchase price does not exceed the Maximum Resale Price, as described above.

(c) The Approval Documents shall be delivered to LexHAB at its mailing address. In each case, the Approval Documents so delivered shall be accompanied by a notice that specifies the address for notice purposes of the prospective purchaser of the Unit prior to the proposed sale, conveyance or transfer thereof.

3. Compliance Certificate from LexHAB.

(a) In order to ensure compliance with this Covenant, Unit 15 shall not at any time be sold, conveyed or otherwise transferred, and no attempted sale, conveyance or transfer shall be valid, unless the selling owner of Unit 15 obtains and records from LexHAB, or its successors, assigns or designees, a certificate ("Compliance Certificate") suitable for recording that states that the annual income of the purchaser of Unit 15 identified in the Compliance Certificate does not exceed the Upper Income Range, that the Consideration to be paid for Unit 15 does not exceed the Maximum Resale Price, as defined above, and that the proposed conveyance, sale or transfer of Unit 15 is in compliance with this Covenant; provided, however, that such a Compliance Certificate shall not be required for the first sale of Unit 15 to Dianne McAlduff-Tocci.

(b) If the Approval Documents that are delivered to LexHAB as provided above are acceptable and indicate to the satisfaction of LexHAB that (i) the annual household income of the prospective purchaser does not exceed the Upper Income Range, (ii) the re-sale price of the Unit does not exceed the Maximum Resale Price, and (iii) the proposed sale is otherwise in compliance with this Covenant, then, within ten (10) business days of receipt by LexHAB from the seller of complete and satisfactory copies of the Approval Documents, LexHAB shall prepare and deliver to the selling owner a Compliance Certificate in recordable form signed and acknowledged by LexHAB referring to Unit 15, the seller thereof, the prospective purchaser thereof, and the purchase price therefor, and stating that the proposed sale or transfer of Unit 15 to the prospective purchaser is in compliance with the restrictions that are set forth in this

Covenant. If the Approval Documents are unacceptable to LexHAB or LexHAB otherwise determines that the terms of this Covenant have not been satisfied, LexHAB shall send written notice stating that the proposed sale, conveyance or transfer will not be in compliance with this Covenant; such notice shall specify which Approval Documents are unsatisfactory and/or how the prospective purchaser or the sale or re-sale price of Unit 15 does not comply with such restrictions.

(c) LexHAB shall be entitled to a fee of one-eighth of one percent (.125%) of the sale price set forth in any Approval Document and approved in any Compliance Certificate for services performed to enforce this Covenant. This fee shall be paid by each seller of Unit 15 as a closing cost at the time of the delivery of any deed for Unit 15. If such sum is not paid when due as provided above, then such sum shall be deemed in default and shall, together with interest thereon (at the rate of ten percent [10 %] per annum) and any costs of collection, be a continuing lien on Unit 15, assessed and binding upon Unit 15 and the new owner of Unit 15 and that owner's heirs, devisees, personal representatives and assigns. If such sum is not paid within ninety (90) days after the date upon which the same is due, LexHAB shall have the right to bring an action at law against the relevant seller of Unit 15 and/or the new owner of Unit 15 to recover the outstanding sum, plus interest, court costs and reasonable attorney's fees.

4. Rights of Mortgagees.

(a) Notwithstanding anything in this Covenant to the contrary, if the holder of record of any purchase money mortgage granted to a state or national bank, state or federal savings and loan association, cooperative bank, mortgage company, trust company, federal credit union or other institutional lender or its successors or assigns (an "Institutional Lender") shall acquire Unit 15 by reason of a foreclosure sale or deed in lieu of foreclosure, and provided that such Institutional Lender has given LexHAB not less than sixty (60) days prior written notice of its intention to foreclose or accept a deed in lieu of foreclosure, the rights and restrictions set forth herein shall not apply to such Institutional Lender upon its acquisition of Unit 15 or any purchaser of Unit 15 upon a foreclosure sale conducted by said Institutional Lender, and Unit 15 shall have thereafter be free from the rights and restrictions set forth herein.

(b) In the event that an Institutional Lender conducts a foreclosure sale or acquires Unit 15 through a deed in lieu of foreclosure to enforce its rights under its mortgage for Unit 15 and Unit 15 is sold for a price in excess of the sum of the outstanding principal balance of the note secured by the mortgage of the Institutional Lender plus all future advances, accrued interest and all reasonable costs and expenses which the Institutional Lender is entitled to recover pursuant to the terms of the mortgage, such excess shall be paid to LexHAB in consideration of the loss of the value and benefit of the rights and affordability restrictions herein contained that will be released by LexHAB pursuant to this section in connection with any such proceeding. To the extent that the Grantor or any successor owner of Unit 15, upon the event of such foreclosure sale or the grant of a deed in lieu of foreclosure, possesses any interest in any amount that is payable to LexHAB under this paragraph, to the fullest extent permissible by law, the Grantor, on

its behalf and on behalf of successor owners of Unit 15, hereby assigns its interest in such amount to said Institutional Lender for payment to LexHAB.

5. Covenants to Run with the Property.

(a) The Grantor hereby grants to LexHAB and its successors, designees and assigns the right to enforce the rights, restrictions, covenants and agreements set forth in this Covenant.

(b) It is intended and agreed that all of the agreements, rights, covenants and restrictions set forth in this Covenant shall be deemed to be covenants running with the land and shall be binding upon and enforceable against the Grantor, the Grantor's successors and assigns and any party holding title to Unit 15 for a period of one hundred and fifty (150) years from the date hereof and that such agreements, rights, covenants and restrictions shall remain in full force and effect in accordance with the provisions of Massachusetts General Laws Chapter 184, Section 27, as it may be amended from time to time, or as provided in similar successor provisions, which provisions of Massachusetts General Laws Chapter 184, Section 27 permit the extension of the period of enforceability of this Covenant by the recording of an extension in accordance with the provisions of said law before the expiration of the first thirty (30) years from the date of recording hereof and before the expiration of each succeeding twenty-year (20) period thereafter or for such other maximum further periods as may be allowed by any amendments of said law or by any successor provisions.

(c) The Grantor intends, declares and covenants that the covenants, agreements, rights and restrictions set forth herein are not merely personal obligations of the Grantor. Grantor hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Covenant to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

6. Restriction Against Leasing. Unit 15 shall not be leased without the prior written consent of LexHAB. In the event that LexHAB, in the exercise of its absolute discretion, consents to any such lease, it shall be a condition to such consent that all rents from such transaction that exceed the carrying costs of Unit 15 as determined by LexHAB in its sole discretion shall be paid to and be the property of LexHAB.

7. Notices. Any notice, demand or request under this Covenant 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 parties to this Covenant at the addresses set forth on the first page of this Covenant or such other addresses as may be specified by any party by such notice. Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed. On or before any sale, conveyance or transfer of Unit 15, the seller of Unit 15 shall deliver a notice to LexHAB that sets forth the notice address of the purchaser after such sale, conveyance or transfer.

8. Enforcement.

(a) The Grantor hereby grants to LexHAB the right to enter upon Olde Smith Farm and Unit 15 for the purpose of enforcing any and all of the restrictions, covenants and agreements herein contained and for the purpose of taking all actions with respect to Unit 15 which LexHAB may determine to be necessary or appropriate, with or without court order, to prevent, remedy or abate any violation of the restrictions, covenants and agreements set forth herein.

(b) Enforcement of this Covenant shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate this Covenant. Failure by LexHAB to enforce any term hereof shall in no event be deemed a waiver of the right to do so thereafter. Without limitation on any other rights or remedies of LexHAB, its agents, successors, designees and assigns, any sale or other transfer or conveyance of Unit 15 in violation of the provisions of this Covenant shall, to the maximum extent permitted by law, be voidable by LexHAB or its agents, successors, designees and assigns by suit in equity to enforce such rights, restrictions, covenants, and agreements.

9. Further Assurances. The Grantor, on behalf of itself and successor owners of the Unit, agrees from time to time, as may be reasonably required by LexHAB, to furnish LexHAB with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of Unit 15 and all other information pertaining to Unit 15 that is reasonably requested by LexHAB.

10. Authority. The individual who signs this Covenant on behalf of the Grantor hereby warrants and represents that he or she has been duly authorized to execute and deliver this Covenant on behalf of the Grantor. The Grantor further warrants and represents that it has undertaken all corporate or other action necessary to execute this Covenant.

11. Waiver. Nothing contained in this Covenant shall limit the right of LexHAB to release or waive, from time to time, in whole or in part, any of the rights, restrictions, covenants or agreements contained in this Covenant. Any such release or waiver must be made in writing and must be executed by LexHAB or its designee.

12. Severability. If any provisions hereof or the application thereof to any person or circumstance shall come, 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 to which it is held invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and enforced to the fullest extent permitted by law.

13. Responsibility of LexHAB. Notwithstanding anything set forth herein to the contrary, LexHAB shall not be held liable for any action taken or omitted under this Covenant.

14. Indemnity. The Grantor agrees to indemnify and hold harmless LexHAB against all damages, costs and liabilities, including reasonable attorney's fees, asserted against LexHAB by

reason of its relationship with Unit 15 under this Covenant and not involving claims that LexHAB acted with gross negligence.

15. Controlling Law. The interpretation and performance of this Covenant shall be governed by the laws of the Commonwealth of Massachusetts.

16. Recording and Filing. Upon due execution of this Covenant and before Unit 15 is transferred to Ms. McAlduff-Tocci, the Grantor shall record this Covenant with the Middlesex South Registry of Deeds and the Grantor shall file this Covenant with the Middlesex Registry District. The Grantor agrees to make reasonable amendments to this Covenant which may be necessary for the recording of this Covenant with the Middlesex South Registry of Deeds and the filing of this Covenant with the Middlesex Registry District; provided, however, that LexHAB approves any such amendment in writing.

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Executed as a sealed instrument this 14th of April 2004.

STABILE HOMES OF LEXINGTON, INC.



By: PAUL SOUGHLEY
Its: PRESIDENT

~~COMMONWEALTH OF MASSACHUSETTS~~)
STATE OF NEW HAMPSHIRE)
COUNTY OF Hillsborough)

On this 14th day of April 2004, before me, the undersigned notary public, personally appeared Paul Soughley, proved to me through satisfactory evidence of identification, which was Driver's License, to be the person whose name is signed on the preceding document and acknowledged to me that he signed it voluntarily for its stated purpose as President of Stabile Homes of Lexington, Inc.

Beth A. Richardson
Notary Public

My commission expires: May 7, 2008

