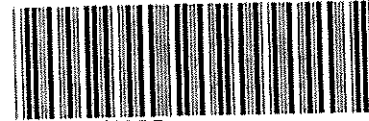


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Drawn by and Mail to:

Louise F. Harmon, Esq. (RD Box #194)
Horack, Talley, Pharr & Lowndes, P.A.
2600 One Wells Fargo Center
301 South College Street
Charlotte, North Carolina 28202 6038

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

DECLARATION OF DEED RESTRICTIONS
321 Heflin Street Charlotte NC 28205

THIS DECLARATION OF DEED RESTRICTIONS (the "Declaration"), made and entered into as of March 7, 2016 by Crossroads Corporation for Affordable Housing & Community Development, Inc. (the "Owner"), for the benefit of and enforceable by the City of Charlotte (the "City");

WHEREAS, the Owner is the owner of a certain tract of real property, more particularly described on **Exhibit A** attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, City has made a grant to Owner in the original principal amount of \$500,000.00 (the "Grant") pursuant to an agreement dated the 10th day of July, 2014 ("Agreement");

WHEREAS, the Grant was made pursuant to the HOME Investment Partnership program ("Program") and the guidelines promulgated pursuant thereto from time to time ("Program Guidelines") the provisions of which are incorporated herein by reference; and

WHEREAS, as a condition of making the Grant to Owner, City has required and Owner has agreed to restrict the Property as set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and understandings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner hereby represents, covenants, warrants and agrees:

1. **Restrictions.** At all times during the term of this Declaration, the Property or any portion thereof may not be sold, transferred or conveyed except to households with incomes of 80% or less of the Charlotte area median income as reported from time to time by the Department of Housing and Urban Development ("HUD"), or other reasonably equivalent data in the event such reports are no longer issued, and shall be subject to compliance with the Program and the Program Guidelines.

2. **Term.** This Declaration shall remain in full force and effect for a period of fifteen (15) years from the date of the completion of the construction and/or renovation of the unit located on the Property (the "Affordability Period"). This Declaration shall be automatically suspended in the event of transfer of title of the Property by foreclosure or by deed in lieu of foreclosure, subject to automatic revival if, at any time during the remainder of the original Affordability Period, any Owner of record prior to the suspension event, or any entity that includes such former Owner or those with whom the former Owner has or had family or business ties, or the manager or member of such former Owner, obtains an ownership interest in the Property. It is understood and agreed that the term of this Declaration shall be extended to the extent of any such suspension period.

3. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein (i) shall be deemed covenants running with the land and, shall pass to and be binding upon Owner, Owner's heirs, successors and assigns in title to the Property and all subsequent owners or operations of the Project and (ii) are not merely personal covenants of Owner. The benefits shall inure to the City during the term of this Declaration. Owner hereby agrees that any and all requirements of the laws of the State of North Carolina to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the Property and which touch and concern the Property shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, and that an equitable servitude in the form of a negative easement has been created to insure that these restrictions run with the land. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations, and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Property are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Property. Provided nothing herein shall be deemed to constitute City's consent for the transfer, sale or conveyance of the Property or any portion thereof.

4. Compliance Monitoring. Owner agrees to permit, during normal business hours and upon reasonable notice, any duly authorized representative of the City to inspect any books and records of Owner regarding the Property which pertain to compliance with this Declaration. Owner shall submit any other information, documents or certifications requested by City which the City shall deem reasonably necessary to substantiate Owner's continuing compliance with the Program, if any, and this Declaration.

5. Remedies: Enforceability. Owner and City acknowledge that the primary purpose for requiring compliance by Owner with the restrictions provided in this Declaration is to assure compliance of the Property and Owner with the Program, Program Regulations, if any, and additional City restrictions, AND BY REASON THEREOF, OWNER IN CONSIDERATION FOR RECEIVING THE GRANT FOR THIS PROJECT HEREBY AGREES AND CONSENTS THAT THE CITY SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO OBTAIN SPECIFIC PERFORMANCE BY OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN ANY COURT OF COMPETENT JURISDICTION. Owner hereby further specifically acknowledges that City cannot be adequately compensated by monetary damages in the event of default hereunder.

The provisions hereof are imposed upon and made applicable to the Property and shall run with the land and shall be enforceable against Owner or any other person or entity that has or had an ownership interest in the Property at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach of violation hereof at any later time or times.

6. Amendment. This Declaration shall not be amended or, except as otherwise provided herein, terminated except by written instrument, executed by the City and Owner, or their successors or assigns, which amendment shall be duly recorded in the Office of the Register of Deeds for the county in which the Property is located.

7. Severability. If any portion hereby shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

8. Construction. Unless the context clearly requires otherwise, as used in this Declaration,

words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Declaration and all the terms and provisions hereof shall be construed to effectuate the purposes set forth and to sustain the validity hereof.

9. Successors and Assigns. This Declaration shall be binding on Owner, its successors and assigns and shall inure to the benefit of City, its successors and assigns and may be enforced by City or any other persons specifically given enforcement rights herein.

10. Headings. The titles and headings of the sections of this Declaration have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof, nor be considered or given any effect in construing this Declaration or any provisions hereof, or in ascertaining intent if any questions or intent shall arise.

11. Governing Law. This Declaration shall be governed by the laws of the State of North Carolina.

IN WITNESS WHEREOF, Owner has executed this Declaration by duly authorized representatives, all on the date first above written.

Crossroads Corporation for Affordable Housing & Community Development, Inc.

By: Donald S. Gately
Name: Donald S. Gately
Its: Executive Director

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, Svetlana Klimova, a Notary Public in and for said County and State, do hereby certify this 7 day of March, 2016, Donald Gately personally known to me or proven by satisfactory evidence (said evidence being _____), personally appeared before me this day and acknowledged that (s)he is Exec. Dir. of Crossroads Corporation for Affordable Housing & Community Development, Inc. and that s/he voluntarily signed said instrument on behalf of said corporation for the purposes therein by its authority duly given. And the said Ex. Director voluntarily acknowledged said instrument to be the act and deed of said corporation.

WITNESS my hand and notarial stamp or seal.

Svetlana Klimova
_____, Notary Public
(print or type name here)
My Commission Expires: 12-15-2020

