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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2008 067589

2008 SEP 29 PM 12:13

MICHAEL A. BROWN  
RECORDER

RECORDER'S OFFICE  
LAKE COUNTY, INDIANA  
100 W. 24th Lane  
GARY, IN 46404

501999

**DECLARATION OF  
EXTENDED RENTAL HOUSING COMMITMENT**

**BY**

**SMALL FARMS RENEWAL, L.P.**

Dated: September 5, 2008

**\*FOR USE WITH ALL DEVELOPMENTS, INCLUDING DEVELOPMENTS  
FINANCED WITH TAX-EXEMPT BONDS  
This Document is the property of  
the Lake County Recorder!**

**STOP**

Development Name: **SMALL FARMS**

Development Location: 1990 W. 24<sup>th</sup> Lane  
Gary, IN 46404

RECORDED  
BY: .....



Development Building Identification Number ("BIN"): IN-05-02100 - IN-05-02112



48-  
#3501  
188

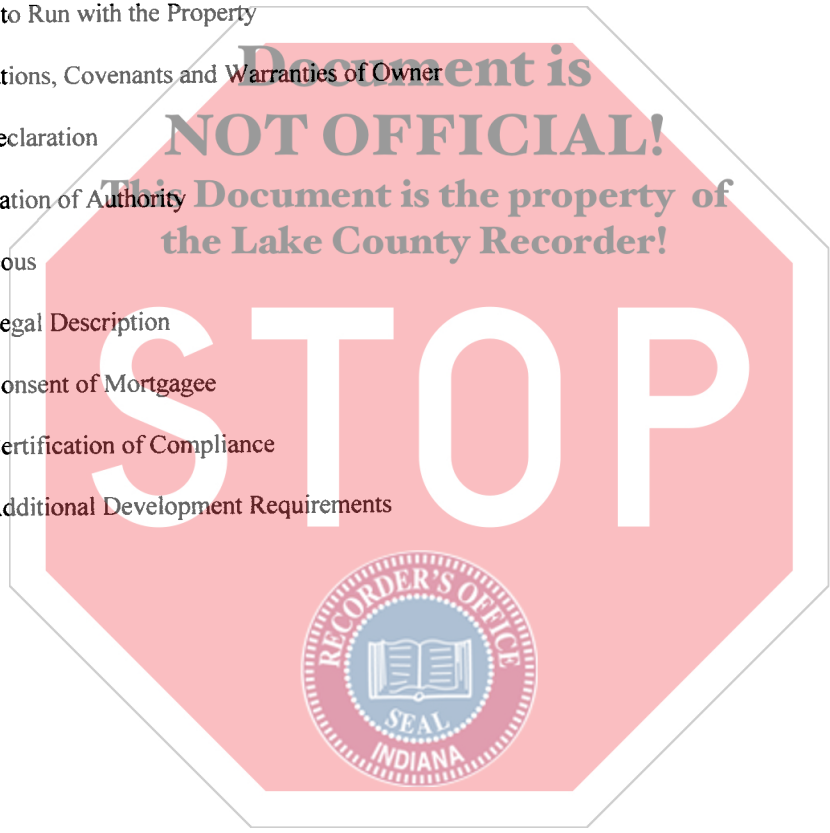
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**DECLARATION OF  
EXTENDED RENTAL HOUSING COMMITMENT**

THIS DECLARATION OF EXTENDED RENTAL HOUSING COMMITMENT (this "Declaration"), dated this 5th day of September, 2008 by Small Farms Renewal, L. P. (the "Owner"), is made as a condition precedent to the allocation and availability of rental housing tax credits for residential rental developments including developments financed by qualified tax-exempt bonds.

WITNESSETH That:

**WHEREAS**, Owner is or shall be the owner of a 200 unit rental housing development known as the Small Farms, generally located in the City (Township) of Gary, County of Lake, Indiana, as more particularly described in Exhibit A, attached hereto and made a part hereof (the "Development");

**WHEREAS**, the development, rehabilitation, maintenance and operation of the Development may now or hereafter be financed through a mortgage loan (the "Loan"), the indebtedness of which may be evidenced by a note and may be secured by a first mortgage lien on the Development and other security instruments (collectively, the "Loan Documents");

**WHEREAS**, if the Development is to be financed with qualified tax exempt bonds, Fifty Percent (50%) or more of the aggregate basis of the Development, including the land upon which the building(s) is (are) located, is financed by the Loan;

**WHEREAS**, the Indiana Housing and Community Development Authority, a public body corporate and politic of the State of Indiana (the "Authority") has been designated by the Governor of the State of Indiana as the housing tax credit agency for the State of Indiana, responsible for the allocation of rental housing tax credit dollars (the "Credit");

**WHEREAS**, Owner has applied to the Authority for a Credit allocation for the Development in an amount not to exceed Six Hundred Forty-five Thousand Six Hundred Eighty Eight Dollars (\$645,688) annually, and further, not to exceed Six Million Four Hundred Fifty Six Thousand Eight Hundred Eighty Dollars (\$6,456,880) over the ten (10) year credit period.

**WHEREAS**, Owner and the Development must continuously comply with Section 42 and other applicable sections of the Internal Revenue Code of 1986 and the Treasury Regulations and rulings thereunder relating to the Credit, each as amended from time to time (collectively, the "Code") and the Rental Housing Tax Credit Qualified Allocation Plan for the State of Indiana (the "Allocation Plan");

**WHEREAS**, compliance with the Code and the Allocation Plan is the sole responsibility of Owner;

**WHEREAS**, Owner has represented to the Authority in Owner's Application for Reservation of 2005 (year of allocation) Credits and Application for Final Allocation of Credits (the "Application") that it shall comply with all leasing requirements of the Code and it shall lease not less than 0% of the units in the Development to individuals or families whose income is 30% or less of **area median gross income**, and not less than 0% of the units in the Development to individuals or families whose income is 40% or less of **area median gross income** and not less than 0% of the units in the Development to individuals or families whose income is 50% or less of **area median gross income** and not less than 0% of the units in the Development to individuals or families whose income is 60% or less of **area median gross income** (including adjustments for family size) as determined in accordance with the Code ("Qualifying Tenants") and that the "applicable fraction" (as defined in Section 42(c)(1)(B) of the Code) for each building for each taxable year in the "extended use period" (as defined in paragraph 6(a) below) shall not be less than 100 percent;

**WHEREAS**, Owner has represented to the Authority in Owner's Application for Reservation of 2005 (year of allocation) Credits and Application for Final Allocation of Credits (the "Application") that it shall lease not less than



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**WHEREAS**, the development, rehabilitation, maintenance and operation of the Development may now or hereafter be financed through a mortgage loan (the "Loan"), the indebtedness of which may be evidenced by a note and may be secured by a first mortgage lien on the Development and other security instruments (collectively, the "Loan Documents");

**WHEREAS**, if the Development is to be financed with qualified tax exempt bonds, Fifty Percent (50%) or more of the aggregate basis of the Development, including the land upon which the building(s) is (are) located, is financed by the Loan;

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**WHEREAS**, Owner and the Development must continuously comply with Section 42 and other applicable sections of the Internal Revenue Code of 1986 and the Treasury Regulations and rulings thereunder relating to the Credit, each as amended from time to time (collectively, the "Code") and the Rental Housing Tax Credit Qualified Allocation Plan for the State of Indiana (the "Allocation Plan");

**WHEREAS**, compliance with the Code and the Allocation Plan is the sole responsibility of Owner;

**WHEREAS**, Owner has represented to the Authority in Owner's Application for Reservation of 2005 (year of allocation) Credits and Application for Final Allocation of Credits (the "Application") that it shall comply with all leasing requirements of the Code and it shall lease not less than 11% of the units in the Development to individuals or families whose income is 30% or less of **area median gross income**, and not less than 21% of the units in the Development to individuals or families whose income is 40% or less of **area median gross income** and not less than 51% of the units in the Development to individuals or families whose income is 50% or less of **area median gross income** and not less than 17% of the units in the Development to individuals or families whose income is 60% or less of **area median gross income** (including adjustments for family size) as determined in accordance with the Code ("Qualifying Tenants") and that the "applicable fraction" (as defined in Section 42(c)(1)(B) of the Code) for each building for each taxable year in the "extended use period" (as defined in paragraph 6(a) below) shall not be less than 40 percent at 60 percent (40% at 60%);

**WHEREAS**, Owner has represented to the Authority in Owner's Application for Reservation of 2005 (year of allocation) Credits and Application for Final Allocation of Credits (the "Application") that it shall lease not less than



11 % of the units in the Development where **rent** is charged at or below the 30% AMI **rent**; and not less than 21 % of the units in the Development where rent is charged at or below the 40% AMI **rent**; and not less than 51 % of the units in the Development where **rent** is charged at or below the 50% AMI **rent**; and not less than 17 % of the units in the Development where **rent** is charged at or below the 60% AMI **rent**.

**WHEREAS**, the Code requires, as a condition precedent to the availability of Credits for the Development, that Owner execute, deliver and record this Declaration in the official real property records of the county in which the Development is located, to create certain covenants running with the land upon which the Development is situated (the "Property") for the purpose of enforcing the requirements of the Code; and

**WHEREAS**, Owner intends, declares and covenants that the terms and conditions set forth herein governing the use, occupancy and transfer of the Development shall be and are covenants running with the Property for the term stated herein, to be binding upon all subsequent owners of the Property for such term;

**NOW, THEREFORE**, in consideration of the premises, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Owner covenants and declares as follows:

1. Incorporation of Recital Provisions. The recital provisions set forth above are hereby incorporated into this Declaration.
2. Definitions. Unless otherwise defined herein, all words and phrases defined in the Code shall have the same meanings in this Declaration.
3. Recording and Filing. Owner shall cause this Declaration and all amendments hereto approved by the Authority, if any, to be recorded and filed in the office of the Recorder of Lake County, Indiana, and Owner shall pay all fees and charges in connection therewith. Upon recording, Owner shall immediately transmit to the Authority an executed original of the recorded Declaration showing the recording date and instrument number or deed book and page numbers of record. Owner acknowledges that the Authority will not issue Internal Revenue Service Form 8609 ("Form 8609"), unless and until the Authority has received the executed, recorded original of this Declaration.
4. Covenants to Run with the Property. Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Property during the term of this Declaration, that this Declaration and the terms, conditions, covenants and restrictions set forth herein:
  - a. regulate and restrict the use, occupancy and transfer of the Property;
  - b. are not merely personal covenants of Owner;
  - c. shall be and are covenants running with the Property, encumbering the Property for the term of this Declaration, binding upon Owner's successors in title and all subsequent owners and operators of the Property; and
  - d. shall inure to the benefit of any and all present and future tenants of the Development and their respective successors and assigns.

Owner hereby agrees that any and all requirements of the laws of the State of Indiana which must be satisfied so that the provisions of this Declaration constitute valid and binding deed restrictions and covenants running with the Property shall be satisfied in full. Throughout the term of this Declaration, the covenants and restrictions contained herein shall survive and be effective regardless of whether any contract, deed or other instrument hereafter executed conveying the Property or a portion thereof provides that such conveyance is subject to this Declaration. Owner agrees to obtain the consent of any prior recorded lien holder on the Property to this Declaration, which consent shall be in the form set forth on Exhibit B, attached hereto and made a part hereof, and such consent shall be recorded with this Declaration as a condition precedent to the issuance of Form 8609 by the Authority.





5. Representations, Covenants and Warranties of Owner. Owner hereby represents, warrants and covenants during the term hereof that:

- (a) Owner(i) is a limited partnership duly organized and existing under the laws of the State of Illinois, and is duly qualified to transact business under the laws of the State of Indiana, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted and as contemplated by this Declaration and the Loan Documents, and (iii) has the full legal right, power and authority to execute and deliver this Declaration and to perform all obligations provided hereunder.
- (b) The execution and performance of this Declaration and the Loan Documents (i) will not violate or, as applicable, have not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, and (ii) will not violate or, as applicable, have not violated any provision of any indenture, agreement, mortgage, mortgage note, or other instrument to which Owner is a party or by which it or its property is bound, and (iii) will not result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature.
- (c) Owner has good and marketable title to the Property, free and clear of any lien or encumbrance, subject only to encumbrances created by or permitted pursuant to the Loan Documents.
- (d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the best of its knowledge or belief, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would impair its right to carry on business as now conducted and as contemplated by this Declaration and the Loan Documents, or would adversely affect its financial condition, or would adversely affect the covenants and commitments under this Declaration.
- (e) The Development constitutes or will constitute a qualified low-income building or qualified low-income development, as applicable, as provided and defined in the Code.
- (f) Owner shall not take, fail to take nor permit to be taken any action which would have the effect, directly or indirectly, of subjecting itself or the Development to non-compliance with the Code.
- (g) All units subject to the Credit shall, as required by the Code, be leased, rented or made available to members of the general public who are Qualified Tenants (or otherwise qualify for occupancy of the low-income units) pursuant to the Code.
- (h) Owner shall strictly obey, comply with and observe all laws, rules, regulations and executive orders of all federal, state and local governments and regulatory bodies, as from time to time amended, which are applicable to the Development or the Credits available to the Development.
- (i) The Development shall comply with the occupancy and rent restriction requirements of the Code, the Allocation Plan and the additional requirements set forth on Exhibit D attached hereto and made a part hereof, which requirements Owner agreed to satisfy pursuant to the initial and final applications (collectively, the "Occupancy Restrictions")



- (j) Subject to the requirements of the Code, which prohibits the disposition to any person of any portion of the building to which such agreement applies unless all of the building to which such agreement applies is disposed of to such person, Owner may sell, transfer or exchange the Development; provided, however, such sale, transfer or exchange shall be voidable by the Authority if the Authority is not first notified in writing and provided with the identity of the buyer or other successor of Owner's interest in the Development, together with such other information requested by the Authority. The foregoing shall not apply to the Development if it is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Internal Revenue Service or the Authority determines that such acquisition is part of an arrangement with the Owner, or its successors or assigns, a purpose of which is to terminate the extended use period (as set forth in paragraph 6). This subparagraph shall not act to waive any other restriction on sale, transfer or exchange of the Development.
- (k) Owner shall maintain and use the Development as residential property and shall not permit the use of any residential rental unit for any purpose other than rental housing, as provided by the Code.
- (l) Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Declaration are paramount and controlling as to the rights and obligations herein set forth and supersede any other provisions in conflict herewith.
- (m) Owner shall immediately give written notice to the Authority of any situation, event or condition which would result in non-compliance of the Development or Owner with the Code, the Allocation Plan or the Occupancy Restrictions.
- (n) All units occupied by Qualifying Tenants shall be of comparable construction quality to other comparable units in the Development.
- (o) Subject to the rights of the lender under the Loan Documents, if the Development or any part thereof shall be damaged or destroyed, Owner will use its best efforts to repair and restore the Development to substantially the same condition as existed prior to the event causing such damage or destruction.
- (p) Owner will not take, fail to take nor permit any action that would result in a violation of the requirements of the Code or this Declaration. Moreover, Owner covenants to take any lawful action (including amendment of this Declaration as may be necessary) to comply fully with the Code.
- (q) THE AUTHORITY AND THE QUALIFYING TENANT(S) (OR EITHER OR ALL OF THEM) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE COURT OF COMPETENT JURISDICTION. Owner hereby further acknowledges that the beneficiaries of Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any breach hereof.
- (r) If at any time the Authority deems it appropriate or necessary to monitor the Development and/or Occupancy Restrictions, then Owner shall cooperate with the Authority and its agents, and shall comply with all applicable requirements. Owner shall pay all monitoring and other fees imposed by the Authority.



- (s) Income certifications consistent with the Code ("Income Certifications") will be maintained on file at the Development or at the principal office of the Owner with respect to each Qualifying Tenant who resides in a Development unit (or resided therein during the immediately preceding calendar year), and Owner will, promptly upon receipt of notice from the Authority, provide a copy thereof to the Authority, together with a true and accurate Certification of Continuing Compliance in the form set forth on Exhibit C, attached hereto and made a part hereof.
- (t) The representations and covenants set forth herein may be relied upon by the Authority and all persons interested in Development compliance under the Code.
- (u) Owner shall enter into all amendments hereto which, in the opinion of the Authority and/or its counsel, are reasonably necessary or desirable for maintaining compliance with the Code.
- (v) Owner shall execute any and all other documents required by the Code, the Allocation Plan and any other documents which the Authority or the Authority's counsel may from time to time require.
- (w) Owner shall not refuse to lease to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.
- (x) Neither the Owner nor representatives acting on behalf of the Owner shall 1) evict or terminate the tenancy (other than for good cause) of an existing tenant during the term hereof, or 2) increase the gross rent with respect to any unit not otherwise permitted under Section 42.

6. Term of Declaration.

- (a) The terms, conditions, covenants and restrictions of this Declaration shall commence on the first day on which the first residential unit in the Development is placed in service and end on the date which is the later of (i) fifteen (15) years after the close of the fifteen (15) year compliance period for the Development (being the 30 year extended use period) or (ii) the expiration of the extended use period, if any, set forth on Exhibit D hereto (the longer of such periods set forth in paragraphs 6(a)(i) and 6(a) (ii) being referred to herein as the "extended use period"), pursuant to the Code.
- (b) Notwithstanding paragraph 6(a) above, but subject to paragraph 6(c) below, the extended use period for any building which is a part of the Development shall terminate:
  - (i) on the date such building is acquired by foreclosure or instrument in lieu of foreclosure, unless the Internal Revenue Service or the Authority determines that such acquisition is part of an arrangement with the Owner, or its successors or assigns, a purpose of which is to terminate the extended use period; or
  - (ii) on the last day of the fifteen (15) year compliance period or fifteen (15) years prior to the expiration of any extended use period set forth on Exhibit D hereto, whichever occurs later, if Owner has properly requested, pursuant to the Code and such other requirements of the Authority which may then be applicable, that the Authority present a qualified contract for the acquisition of the low-income portion of any part of the Development and the Authority is unable to procure a qualified contract.





- (c) Notwithstanding paragraph 6(b) above, the termination of an extended use period shall not be construed to permit:
- (i) The eviction or the termination of tenancy (other than for good cause) of an existing tenant of any low-income unit before the close of the three (3) year period following such termination, or
  - (ii) Any increase in the gross rent with respect to such unit not otherwise permitted under the Code before the close of the three (3) year period following such termination.
  - (iii) Violation of any other covenants or obligations set forth on Exhibit D hereto.
- (d) Paragraphs 6(a) and 6(c) shall be construed to be in compliance with Section 42(h)(6)(B)(i) of the Internal Revenue Code regarding the prohibition against (1) the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit and (2) any increase in the gross rent with respect to the unit not otherwise permitted under Section 42 during the extended use period.

7. Indemnification of Authority

Owner hereby releases, saves harmless and shall indemnify the Authority of and from any and all claims, losses, damages, expenses or judgments which the Authority might incur as a result of allocation of the Credit to the Development or the recapture of any portion of the Credit by any appropriate governmental agency.

ANY ACTION, REVIEW, RECOMMENDATION, APPROVAL, OR OTHER ACTIVITY TAKEN BY OR ON BEHALF OF THE AUTHORITY DOES NOT, EXPRESSLY OR IMPLIEDLY, DIRECTLY OR INDIRECTLY, SUGGEST, REPRESENT OR WARRANT THAT THE OWNER OR THE DEVELOPMENT QUALIFY FOR THE CREDIT, OR THAT THE DEVELOPMENT COMPLIES WITH APPLICABLE STATUTES AND REGULATIONS OR THAT THE DEVELOPMENT IS OR WILL BE ECONOMICALLY FEASIBLE. OWNER ACKNOWLEDGES IT IS SOLELY RESPONSIBLE FOR SUCH MATTERS.

8. Miscellaneous

- (a) Successors Bound. Throughout the term hereof, this Declaration and the covenants and conditions contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, Owner and its successors and assigns and all subsequent owners of the Property, the tenants located or to be located on the Property, (as set forth in paragraph 4(d)), the Authority and its successors and assigns.
- (b) Amendment. This Declaration may be amended only with the prior written approval of the Authority. No amendment to this Declaration may be made without the prior written approval of the Authority.
- (c) Severability. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.
- (d) Notices. All notices to be given pursuant to this Declaration shall be in writing and shall be deemed given when mailed by certified mail to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.



To the Authority: Indiana Housing and Community Development Authority  
Rental Housing Tax Credit Allocation Department  
30 South Meridian Street  
Suite 1000  
Indianapolis, IN 46204

To Owner: Small Farms Renewal, L. P.  
c/o Elizabeth Hyatt  
8604 Whistlefield Farm Road  
Afton, VA 22920

The Authority, and Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(e) No Remedy Exclusive. No remedy herein conferred upon or reserved is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under this Declaration or existing at law or in equity. No delay or failure to exercise any right or power accruing hereunder shall impair any other right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(f) Construction. As used herein, the singular shall be deemed to mean and include the plural and the masculine to mean and to include the feminine and the neuter, where applicable. If there is more than a single Owner, each jointly and severally shall be deemed to be the Owner.

(g) Governing Law. This Declaration shall be governed by the laws of the State of Indiana.

(h) Survival of Obligations. The obligations of Owner as set forth herein shall survive the Credit allocation by the Authority and shall continue throughout the term of this Declaration.

IN WITNESS WHEREOF, Owner has caused this Declaration to be signed by duly authorized representatives, on the day and year first written above.

Small Farms Renewal, L. P., an Illinois limited partnership  
Small Farms Renewal, G. P., L.L.C., an Illinois  
limited liability company, General Partner

By: 

Name: Fred L. Bonner, Manager

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
(Seal)



STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

Before me, a Notary Public, in and for said County and State, personally appeared Fred L. Bonner, the Manager of Small Farms Renewal, G. P., L.L.C., the General Partner of Small Farms Renewal, L. P., who acknowledged that the foregoing Declaration of Extended Rental Housing Commitment was executed in such capacity as its voluntary act and deed and that the foregoing representations set forth in the Declaration are true and correct.

WITNESS my hand and seal this 5th day of September, 2008

My County of Residence:

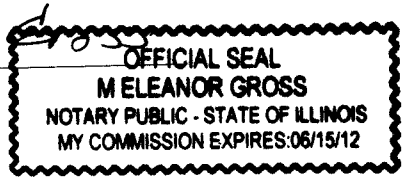
Cook, IL

My Commission Expires:

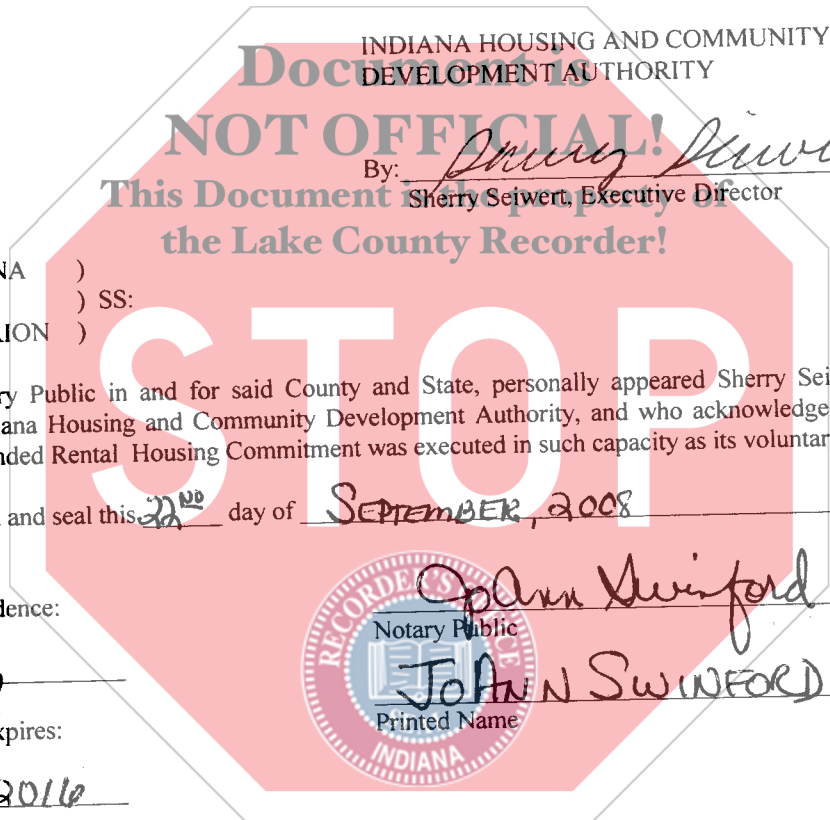
06/15/12

M. Eleanor Gross  
Notary Public

M. Eleanor Gross  
Printed Name



AGREED TO this 22<sup>ND</sup> day of SEPTEMBER, 2008 by the Authority.



STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

Before me, a Notary Public in and for said County and State, personally appeared Sherry Seiwert, the Executive Director of the Indiana Housing and Community Development Authority, and who acknowledged that the foregoing Declaration of Extended Rental Housing Commitment was executed in such capacity as its voluntary act and deed.

WITNESS my hand and seal this 22<sup>ND</sup> day of SEPTEMBER, 2008

My County of Residence:

Marion

My Commission Expires:

2-21-2016



By: Sherry Seiwert  
Sherry Seiwert, Executive Director

John N Swinford  
Notary Public  
Printed Name

INSTRUCTIONS TO RECORDER: Upon recording, this instrument should be returned to:  
General Counsel  
Indiana Housing and Community Development Authority  
30 South Meridian Street, Suite 1000  
Indianapolis, IN 46204  
(317) 232-7777

This document was prepared by Kelli Werner, Tax Credit Analyst, Indiana Housing and Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, Indiana 46204.

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, if any, unless required by law: Tax Credit Analyst Signature: Kelli Werner



EXHIBIT A

LEGAL DESCRIPTION

SMALL FARMS

\*\*\*PARCEL 1: LOTS 1 AND 40, EXCEPT THE NORTH 8 FEET OF SAID LOTS 1 AND 40 TAKEN FOR THE WIDENING OF 24TH AVENUE, ALL OF LOTS 2 THROUGH 39, BOTH INCLUSIVE IN BLOCK 3, IN DIXIE MANOR, LOTS 1 AND 40, EXCEPT THE NORTH 8 FEET OF SAID LOTS 1 AND 40 TAKEN FOR THE WIDENING OF 24TH AVENUE, ALL OF LOTS 2 THROUGH 39, BOTH INCLUSIVE IN BLOCK 4, IN DIXIE MANOR.

PARCEL 2: LOTS 1 AND 48, EXCEPT THE NORTH 16 FEET OF SAID LOTS 1 AND 48 TAKEN FOR THE WIDENING OF 24TH AVENUE, ALL OF LOTS 2 THROUGH 47, BOTH INCLUSIVE IN BLOCK 3, IN KOEPKE'S SUBDIVISION, LOTS 1 AND 48, EXCEPT THE NORTH 16 FEET OF SAID LOTS 1 AND 48 TAKEN FOR THE WIDENING OF 24TH AVENUE, ALL OF LOTS 2 THROUGH 47, BOTH INCLUSIVE IN BLOCK 4, IN KOEPKE'S SUBDIVISION.

PARCEL 3: LOT 14, EXCEPT THE NORTH 16 FEET OF SAID LOT 14 TAKEN FOR 24TH AVENUE, ALL OF LOTS 15 THROUGH 24, BOTH INCLUSIVE, IN BLOCK 1, HILLTOP SMALL FARMS; ALSO LOT 15, EXCEPT THE NORTH 16 FEET OF SAID LOT 15 TAKEN FOR 24TH AVENUE, ALL OF LOTS 16 THROUGH 25, BOTH INCLUSIVE IN BLOCK 2, HILLTOP SMALL FARMS.

ALSO ALL OF THE VACATED PORTIONS OF ALLEY 19 WEST, ALLEY 20 WEST, ALLEY 21 WEST, ALLEY 22 WEST, ALLEY 24B SOUTH, ARTHUR STREET, CLEVELAND STREET, MCKINLEY STREET, ROOSEVELT STREET AND ROOSEVELT PLACE ABUTTING ALL OF SAID LOTS.

AND BEING MORE PARTICULARLY DESCRIBED AS A PARCEL OF LAND LYING IN THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 8 WEST OF THE 2ND PRINCIPAL MERIDIAN AND COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER, 692.90 FEET; THENCE NORTH 01 DEGREES 01 MINUTES 58 SECONDS WEST, 42.50 FEET TO THE POINT OF BEGINNING; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE NORTH RIGHT OF WAY LINE OF 25TH AVENUE 1738.84 FEET; THENCE NORTH 01 DEGREES 01 MINUTES 01 SECONDS WEST, 584.00 FEET; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, 418.40 FEET; THENCE SOUTH 87 DEGREES 17 MINUTES 46 SECONDS EAST, 66.13 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 18 SECONDS EAST, 594.0 FEET; THENCE SOUTH 89 DEGREES 39 MINUTES 19 SECONDS EAST, 660.36 FEET; THENCE SOUTH 01 DEGREES 01 MINUTES 58 SECONDS EAST, 577.03 FEET, TO THE POINT OF BEGINNING, ALL IN THE CITY OF GARY, LAKE COUNTY, INDIANA. \*\*\*

Parcel (Key) # 25-40-0068-0002





**EXHIBIT B**

**MORTGAGEE'S CONSENT TO DECLARATION OF  
EXTENDED LOW-INCOME HOUSING COMMITMENT**

MMA Mortgage Investment Corporation, being the mortgagee of record (the "Mortgagee"), pursuant to a mortgage recorded as Instrument No. 2006 059348, and filed in the Office of the Recorder of Lake County, Indiana on July 10, 2006, hereby consents to the Declaration of Extended Rental Housing Commitment executed by Small Farms Renewal, L. P. ("Owner") on September 5, 2008.

IN WITNESS WHEREOF, Mortgagee, by its duly authorized officer, has hereunto executed this Mortgagee's Consent to Declaration of Extended Rental Housing Commitment this 9 day of September, 2008.

"MORTGAGEE"

MMA Mortgage Investment Corporation

By: [Signature]  
Kevin Sullivan

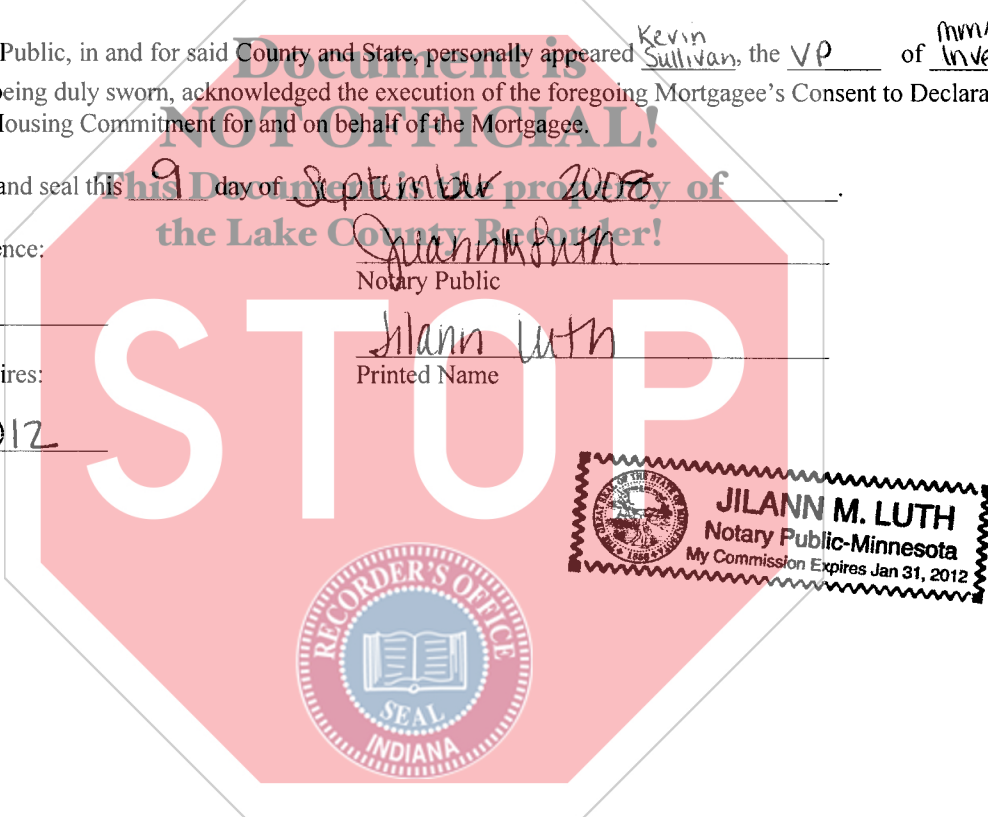
STATE OF MINNESOTA )  
COUNTY OF CANVER ) SS:

Before me, a Notary Public, in and for said County and State, personally appeared Kevin Sullivan, the VP of MMA Mortgage Investment Corp. ("Mortgagee") and, being duly sworn, acknowledged the execution of the foregoing Mortgagee's Consent to Declaration of Extended Rental Housing Commitment for and on behalf of the Mortgagee.

WITNESS my hand and seal this 9 day of September, 2008.

My County of Residence: Canver  
Notary Public Jilann Luth

My Commission Expires: Jan 31, 2012  
Printed Name Jilann Luth



**EXHIBIT C**  
**RENTAL HOUSING TAX CREDIT PROGRAM**  
**CERTIFICATION OF COMPLIANCE**

The undersigned, having been allocated certain Rental Housing Tax Credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code") and having executed a "Declaration of Extended Rental Housing Commitment" pursuant to the allocation with the Indiana Housing and Community Development Authority, the housing credit agency for the State of Indiana (the "Authority") for the purpose of purchasing, constructing and/or improving a certain low-income housing development (the "Development"), and pursuant to the monitoring requirements of the Authority and the requirements of the Code section 42 and all regulations promulgated thereunder, does hereby certify as follows:

(i) The Development meets the requirements of (Please mark the appropriate test):

- \_\_\_ (A) the 20-50 test under section 42(g)(1)(A) of the code, or  
 \_\_\_ (B) the 40-60 test under section 42(g)(1)(B) of the code, or  
 \_\_\_ (C) the 15-40 test under sections 42(g)(4) and 142(d)(4)(B) of the Code for "deep rent skewed" developments.

(ii) There was no change in the applicable fraction (as defined in section 42(c)(1)(B)) of any building in the Development, or that there was a change, and a description of that change.

List the total number of development units: 200

List the number of qualified low-income units: 200

(iii) The undersigned has received an annual income certification from each low-income tenant in the Development and sufficient documentation to support that certification; or, in the case of a tenant receiving Section 8 housing assistance payments, the statement from the applicable public housing authority to the Development owner declaring that the tenant's income does not exceed the applicable income limited under section 42(g) of the Code.

(iv) Each low-income unit in the Development was restricted under section 42(g)(2) of the Code.

List the gross rent, utility allowance and actual rent of the low-income units:

	GROSS RENT	UTILITY ALLOWANCE	ACTUAL RENT
Efficiency	_____	_____	_____
1 bedroom units	_____	_____	_____
2 bedroom units	_____	_____	_____
3 bedroom units	_____	_____	_____
4 bedroom units	_____	_____	_____



(v) All units in the Development are for use by the general public and are used on a nontransient basis (except for transitional housing for the homeless provided under section 42(i)(3)(B)(iii).

(vi) Each building in the Development is suitable for occupancy, taking into account all federal, state and local health, safety and building codes.

(vii) Please mark the appropriate certification:

\_\_\_\_\_ (A) There has been no change in the eligible basis of any building in the Development (as defined in section 42(d) of the Code), or

\_\_\_\_\_ (B) There has been a change in the eligible basis of a building in the Development (as defined in Section 42(d) of the Code). Please attach a separate sheet setting forth the nature and amount of such change (e.g., a common area has become commercial space, or a fee is now charged for a tenant facility formerly provided without charge.

(viii) All tenant facilities included in the eligible basis of the Development under the Code section 42(d), such as swimming pools, other recreational facilities, and parking areas, are provided on a comparable basis without charge to all tenants of the Development.

(ix) Please mark the appropriate certification:

\_\_\_\_\_ (A) No low-income units in the Development became vacant during the applicable year, or

\_\_\_\_\_ (B) One or more low-income units in the Development became vacant during the applicable year and reasonable efforts were or are being made to rent such units or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the Development were or will be rented to tenants not having a qualifying income. While such unit(s) were vacant, no units of comparable or smaller size were rented to tenants not having a qualifying income. Please attach a separate sheet detailing which units were vacant during the applicable year and the nature of efforts to rent such units to tenants with qualifying incomes.

(x) Please mark the appropriate certification:

\_\_\_\_\_ (A) No tenant of any low-income unit in the Development has experienced an increase in income above the limit allowed in the Code section 42(g)(2)(D)(ii), or

\_\_\_\_\_ (B) One or more tenants of low-income units in the Development have experienced an increase in income above the limit allowed in the Code section 42(g)(2)(D)(ii) and the next available unit or units of comparable size in the Development have been or will be rented to tenants having a qualifying income. Please attach a separate sheet detailing the tenants who have experienced such an increase in income and the unit or units which have been or will be rented to tenants having qualifying income and the efforts being made to rent such unit units; and



- (xi) That the development has one smoke detector on each level of the rental dwelling unit assisted or insured by HUD and in public and Indian housing units; and
- (xii) That there have been no changes in entity ownership or if there have been, HCDA have been provided with details including a copy of the sales agreement and
- (xiii) That the Development is in continuing compliance with the Declaration of Extended Rental Housing Commitment applicable to Development and filed in the office of the Recorder of Lake County, Indiana; and
- (xiv) The Development is otherwise in compliance with the Code, including any Treasury Regulations pursuant thereto, the applicable laws, rules, regulations and ordinances.

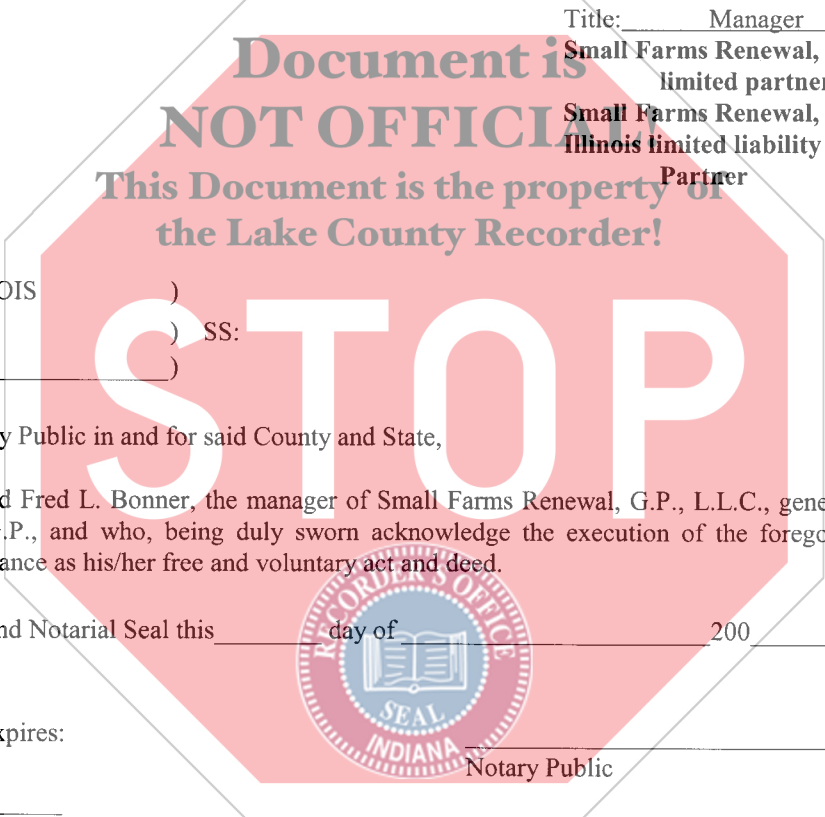
The undersigned has executed this certification, subject to penalties of perjury, and certifies that the foregoing is true, accurate and complete in all respects, this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

("Owner")

\_\_\_\_\_  
Attest

By: \_\_\_\_\_

Title: \_\_\_\_\_  
 \_\_\_\_\_  
 Small Farms Renewal, L. P., an Illinois  
 limited partnership,  
 Small Farms Renewal, G.P., L.L.C., an  
 Illinois limited liability company, General  
 Partner



STATE OF ILLINOIS )  
 )  
 COUNTY OF \_\_\_\_\_ )

SS:

Before me, a Notary Public in and for said County and State,

Personally appeared Fred L. Bonner, the manager of Small Farms Renewal, G.P., L.L.C., general partner of Small Farms Renewal, G.P., and who, being duly sworn acknowledge the execution of the foregoing Certification of Continuing Compliance as his/her free and voluntary act and deed.

Witness my hand and Notarial Seal this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

My Commission Expires: \_\_\_\_\_  
 \_\_\_\_\_  
 Notary Public

\_\_\_\_\_  
 Printed Name

My County of Residence:  
 \_\_\_\_\_



**EXHIBIT D**

**Additional Development Requirements**

**Extended Low-Income Housing Commitment (Please check all that apply)**

1.  This development will be subject to the standard extended use agreement, which permits early termination (after the mandatory 15-year compliance period) of the extended use period.
2.  This development will be subject to an extended use agreement in which the owner's right to an early termination of the extended use provision is waived for  10 or  15 or  25 or  40 (check appropriate box) additional years after the mandatory 15-year compliance period.
3.  This development will be subject to a HOME affordability period for rehabilitation or acquisition of existing housing  10 years or new construction or acquisition of newly constructed housing  20 years (check appropriate box).
4.  This development will be subject to the standard 15-year compliance period as part of a Lease Purchase Program (all units must be single family detached structures) and will offer homeownership opportunities to qualified tenants after 15 year compliance period. See IRS Revenue Ruling 95-48.

**Special Housing Needs/Leasing Preference (Please check all that apply)**

1. No less than eighty percent (80%) of the total units in this Development be restricted to elderly tenants age 55 and older?  Yes  No
2. Is this Development designed as a SRO or transitional housing for the homeless?  Yes  No
3. Will this Development target any other types of special needs populations?  Yes  No  
If yes, please identify:

Special Needs Population	# of Units
Elderly	0
SRO	0
Homeless	10
Persons with Disabilities	8
Section 8 Certificates & Vouchers	0
Public Housing Waiting List Tenants	Priority

**Services**

1. Owner proposes services for 2 years. List provider, service(s) and the year they will expire; or \_\_\_\_\_
2. Owner proposes services for 3-5 years. List provider, service(s) and the year they will expire; or \_\_\_\_\_

**SEE LIST ATTACHED.**

3. Owner proposes services for 6+ years. List provider, service(s) and the year they will expire.  
\_\_\_\_\_

**EXHIBIT D**





**DECLARATION OF  
EXTENDED HOUSING COMMITMENT**

**BY**

**SMALL FARMS RENEWAL, L.P.**

**EXHIBIT D – SERVICES**

<b><u>Type of Service</u></b>	<b><u>Service Provider</u></b>	<b><u>Agreement Expiration Date</u></b>
Computer Training	Kathy Howard	January 1, 2011
Programs on Community Mental Health, including child rearing, depression, alcoholism/drug addiction.	Edgewater Systems for Balanced Living	January 1, 2011
Senior Programs, Non-Emergency Transportation (NET) & Other Referral Services	Calumet Township Trustee	January 1, 2011
Cultural Programming: History of the Blues	Rosa Harris & <i>Dreams Come True</i>	January 1, 2011
Fitness: Yoga Classes	The Yoga Room & Bookshop	January 1, 2011

