

After recording return to:

Philadelphia Housing Authority
Office of General Counsel
2013 Ridge Avenue
Philadelphia, PA 19121

**DECLARATION OF RESTRICTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS**

This Declaration of Restrictive Covenants and Use Agreement (this “Declaration”), dated as of this ____ day of _____, 2024 (“Effective Date”) by the Philadelphia Housing Authority, a public body corporate and politic duly organized under the laws of the Commonwealth of Pennsylvania with an address of 2013 Ridge Avenue, Philadelphia, PA 19121 (the “Authority”).

WITNESSETH

WHEREAS, the real property and any improvements thereon situated in the City of Philadelphia, Pennsylvania as more fully described in Exhibit A to this Declaration (the “Property”) was previously used for public housing purposes pursuant to agreements by and between the U.S. Department of Housing and Urban Development (“HUD”) and the Authority;

WHEREAS, the public housing assistance related to this Property has been converted under the Rental Assistance Demonstration (RAD) program to housing subject to a Section 8 Project Based Voucher (PBV) or Project Based Rental Assistance (PBRA) contract located at another site, pursuant to a transfer of assistance under RAD;

WHEREAS, this Declaration is to ensure that the Property be used for Affordable Housing Purposes (as defined in Section 2 of this Declaration);

WHEREAS, the Authority shall transfer the Property to a developer (“Developer”) who will (i) renovate the Property, (ii) sell to an Original Buyer and (iii) comply with the terms and conditions set forth in this Declaration;

WHEREAS, the Authority desires to advance the public interest in the creation and retention of affordable housing within the City of Philadelphia (the “City”) and to assure that resale of the Property is at a price that continues its affordability;

WHEREAS, the Authority will convey the Property to Developer at nominal consideration and the Developer shall agree to subject the Property to the covenants, conditions and restrictions set forth below.

NOW, THEREFORE, in consideration of conveyance of the Property at nominal consideration and in order to fulfill the above-stated public interest, and for other good and valuable consideration, the Authority, for itself, its successors and assigns, hereby declares that from this date forward the Property is and shall be held, transferred, sold, conveyed, used, occupied, and encumbered subject to the conditions and restrictions set forth below as if said covenants were set forth in the deed by which the Authority acquired title to the Property, and said conditions for all purposes shall be deemed to run with the land.

1. The Preambles of this Declaration are incorporated herein as though set forth in full.
2. In addition to the terms defined above, the following terms, when used in this Declaration, shall have the following meanings:

“Affordable Housing Purposes” shall mean any activity that supports the pre-development, development, rehabilitation or operation of other RAD conversions, public housing, housing assisted under Section 8 of the Act, properties subject to low-income housing tax credit reservations, or properties participating in other federal, state or local housing programs serving households with incomes at or below 80% of area median income, or that provides services or amenities that will be used primarily by low-income families as defined by the U.S. Housing Act of 1937, as amended, 42 U.S.C. 1437 et. seq.

Compliance Period means a period of twenty (20) years beginning on the Effective Date of this Declaration set forth in the preamble.

First Mortgagee means a bank, financial institution or other institutional lender that provides financing which is secured by a first lien mortgage on the Property.

Original Buyer means an individual(s), as approved by the Authority, who is purchasing the Property from the Developer and whose household income at the time of purchase does not exceed eighty percent (80%) of the area median income as determined by the United States Department of Housing and Urban Development (“HUD”).

Owner means Original Buyer or a Qualified Purchaser.

Purchase Price means the stated consideration as appears on the deed conveying the Property from Owner to the Original Buyer or subsequent deed to a Qualified Purchaser.

Qualified Purchaser means an individual(s), as approved by the Authority, who is purchasing the Property from the Original Buyer (or other Qualified Purchaser) and whose household income at the time of purchase does not exceed eighty percent (80%) of the area median income as determined by HUD.

Transfer means the sale, transfer, conveyance or other disposition of the Property but shall exclude any conveyance for nominal consideration which occurs as part of marriage, divorce, or death. The grantee of such nominal consideration transfer shall be considered the “Original Buyer” or “Qualified Purchaser”, as applicable.

3. Subject to Section 4, Developer, Owner, and any successor in title, shall not sell or transfer the Property or any portion thereof without the prior written consent of the Authority.
4. During the Compliance Period, the following conditions shall apply to the Property:
 - a. The Authority shall maintain the Property for Affordable Housing Purposes and hereby requires that the Developer, Owner, and their successors and assigns, maintain the Property for Affordable Housing Purposes;
 - b. Developer shall sell the Property to an Original Buyer;
 - c. The Property must be owned and occupied as the principal residence of the Original Buyer or Qualified Purchaser; and
 - d. Transfer of the Property by an Owner must be to a Qualified Purchaser as approved by the Authority.
5. This Declaration shall be subordinate and subject to the mortgage and other documents of the First Mortgagee and the Authority agrees to execute any necessary documents for the subordination, including specific Riders for FHA-insured First Mortgage financing or First Mortgages that must satisfy Fannie Mae mortgage requirements.
6. This Declaration shall automatically terminate for the Property upon any of the following events:
 - a. At the end of the Compliance Period; or
 - b. Upon a transfer pursuant to a foreclosure sale of the First Mortgagee or a deed-in lieu of foreclosure to the First Mortgagee, provided such acquisition of title is an arm’s length commercial transaction (i.e. the foreclosure was not part of an arrangement with the Developer, Owner, or Qualified Purchaser the purpose of which was to terminate this Declaration).

If the Declaration is terminated pursuant to 6(b) above, the Authority, Developer, Owner and their successors and assigns shall provide notice to the U.S. Department of Housing and Urban Development (“HUD”) at the following address: 451 Seventh Street, S.W., Washington, DC 20410, Attention: Office of Recapitalization, Office of Multifamily Housing.

7. Except in accordance with Section 6 above, this Declaration shall not be released without the prior written consent of HUD.
8. The Authority, Developer, Owner, its successors and assigns, shall not discriminate on the basis of race, color, religion, sex or national origin in the sale or in the use or occupancy of this Property or any improvements to be erected thereon.
9. The Authority, Developer, Owner, for themselves, their heirs, successors and assigns, agree that said conditions and restrictions shall be **COVENANTS RUNNING WITH THE LAND**, and that in any deed of conveyance of the Property or any part thereof, said conditions and restrictions shall be incorporated by reference to this Declaration and the record hereof or as fully as the same are contained herein.
10. The covenants, conditions and restrictions contained herein may be enforced by the Authority, its successors and assigns.

[REST OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the party hereto, by its respective duly authorized representative, has caused its name to be subscribed hereto, on the date first written above.

PHA: Philadelphia Housing Authority, a public body corporate and politic

By: _____
Name: Kelvin A. Jeremiah
Its: President & CEO

Commonwealth of Pennsylvania :
: ss
County of Philadelphia :

On _____, 2024, before me, _____, Notary Public, personally appeared Kelvin A. Jeremiah, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under penalty of perjury under the laws of this State or Commonwealth that the foregoing paragraph is true and correct. Witness my hand and official seal.

Notary Public
Print Name: _____
My commission expires: _____

EXHIBIT A

Legal Description

1234 N Wee Sing Lane

All That Certain lot or piece of ground with the messuage or tenement thereon erected,
Situate on the East side of Wee Sing Lane at the distance of 198 feet Southward...

Containing in front or breadth on the said...

Together with the free and common use, right, liberty and privilege of the said alleys, as and for
passageways and watercourses at all times hereafter, forever.

OPA No. 00-00000

Being the same premises which...

Being also known as 1234 Wee Sing Lane, Philadelphia, PA 19199