
**** THIS IS A SAMPLE DOCUMENT. THIS MAY NOT REPRESENT A FINAL FORM OF DOCUMENT. THE CITY RESERVES THE RIGHT TO REVISE ALL DOCUMENTS AT ANY TIME. ****

Prepared by and mail after recording to:
Heather McDowell, Esq.
Ellinger & Carr, PLLC
2840 Plaza Place, Suite 360
Raleigh, North Carolina 27612

NORTH CAROLINA
MECKLENBURG COUNTY

DECLARATION OF DEED RESTRICTIONS

_____, Charlotte, NC

THIS DECLARATION OF DEED RESTRICTIONS (this “Agreement”), made and entered into as of _____, 2024 by _____, a North Carolina nonprofit corporation (the “Borrower”).

WITNESSETH:

In consideration of the mutual covenants and understandings with the City of Charlotte (the “City”) set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Borrower hereby agrees as follows:

Section 1. **Definitions and Interpretation.** The following terms shall have the respective meanings set forth below:

(a) **“Period of Affordability”** means thirty (30) years from the date of this Agreement.

(b) “Program Guidelines” means the Affordable Housing Acquisition, Rehabilitation & Resale Loan Fund Guidelines promulgated by the City of Charlotte as they may be amended, modified or extended.

(c) “Project” means the real property and home or townhome having an address of _____, Charlotte, NC and more particularly described in Exhibit A attached hereto.

(d) “State” means the State of North Carolina.

Unless the context clearly requires otherwise, as used in this Agreement, 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 Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Agreement 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 or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. **Residential Property.** The Borrower hereby represents, covenants, warrants and agrees that for the entire term of the Period of Affordability:

(a) The Project is being acquired and rehabilitated for ultimate use as a single-family residence for low- or moderate-income individuals or families (at or below eighty percent (80%) area median income).

(b) Borrower shall rehabilitate and sell the Project to a first-time homebuyer of low- to moderate income (at or below eighty percent (80%) area median) for a purchase price of no more than \$342,000.

(c) The Project shall not be transferred, conveyed, leased, or etc. without the City’s prior written consent.

(d) The terms and conditions of the Program Guidelines are incorporated herein.

Section 3. **Covenants to Run With the Land.** The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Borrower’s assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof, said covenants, reservations and restrictions shall expire. Except as provided in Section 5 hereof, each and every contract, deed or other

instrument hereafter executed covering or conveying the Land or the Project 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 Project is conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project.

Section 4. **Right of First Refusal & Purchase Agreement.**

The City shall have a right of first refusal and purchase agreement related to the Land as set forth in the Acquisition, Rehabilitation & Resale Loan Fund Agreement by and between City and Borrower.

Section 5. **Term.** This Agreement shall remain in full force and effect until the expiration of the Period of Affordability.

Section 6. **Correction of Noncompliance.** The failure of the Borrower to comply with any of the provisions of Section 2 of this Declaration shall not be deemed a default hereunder unless such failure has not been corrected within a period of sixty (60) days following the date that any of the parties hereto learned of such failure or should have learned of such failure by the exercise of reasonable diligence.

Section 7. **Remedies; Enforceability.** If a violation of any of the provisions hereof occurs or is attempted, the City and its successors and assigns may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation, to compel specific performance hereunder, or to recover monetary damages caused by such violation or attempted violation. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Borrower or any other person or entity that has or had an ownership interest in the Project 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 or violations hereof at any later time or times.

Section 8. **Filing.** This Declaration shall be duly recorded in the Office of the Register of Deeds of Mecklenburg County, North Carolina.

Section 9. **Governing Law.** This Declaration shall be governed by the laws of North Carolina.

Section 10. **Amendments.** Except as provided in Section 5, this Declaration shall not be amended, revised, or terminated except by a written instrument, executed by the Borrower and the City or their successors in title, and duly recorded in the Office of the Register of Deeds of Mecklenburg County, North Carolina.

Section 11. **Notice.** Any notice required to be given hereunder shall be given by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

City: City of Charlotte
600 East Trade Street
Charlotte, North Carolina 28202
Attn: Housing and Neighborhood Services Director

Borrower:

Notice shall be deemed given on the third business day after the date of mailing.

Section 12. **Severability.** If any provision hereof 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.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Borrower has executed this Agreement by duly authorized representatives, all on the date first written herein above.

BORROWER:

_____ a North Carolina nonprofit corporation

By: _____ [SEAL]
[print name], Executive Director

STATE OF NORTH CAROLINA
COUNTY OF _____

I, the undersigned, a Notary Public of the County and State aforesaid, certify that the following person(s) personally appeared before me this day, and

- I have personal knowledge of the identity of the principal(s);
- I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a _____;
- A credible witness has sworn to the identity of the principal(s);

acknowledging to me that (s)he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: _____, Executive Director of _____.

Witness my hand and official seal, this the _____ day of _____, 202__.

[NOTARY SEAL]

Notary Public

Print Name of Notary
My Commission Expires: _____

EXHIBIT A

Legal Description