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Madison County, Iowa

LAND USE RESTRICTIVE COVENANTS AGREEMENT FOR LOW-INCOME HOUSING TAX CREDIT ("LIHTC") PROGRAM – 2022 9% QUALIFIED ALLOCATION PLAN ("QAP")

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Preparer Information:

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Return Document To:

Grantors: WWSA LLLP

Grantees: Iowa Finance Authority

Legal Description: Exhibit A, page 21

Book & Page Reference: None

Project: 22-20, The Historic Winterset High School Apartments

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**LAND USE RESTRICTIVE COVENANTS AGREEMENT FOR
LOW-INCOME HOUSING TAX CREDIT PROGRAM
2022 9% QUALIFIED ALLOCATION PLAN ("QAP")**

ALLOCATION OF CREDITS TO THIS PROJECT IS BASED ON THE FOLLOWING:

SET-ASIDE

- (1) Credits from Set-Aside for Projects involving Qualified Nonprofit Organizations
- (2) Credits from the Housing for the Supportive Housing for Families Set-Aside

SCORING

- (3) Serves Lowest Income Residents
- (4) Rent Reduction
- (5) Market Rate Incentive
- (6) Federal Project-Based Rental Assistance
- (7) Nonprofit Organization Experience - CHDO
- (8) Nonprofit Organization Experience – Sole Developer and Sole General Partner/Managing Member

OTHER

- (9) Average Income Test
- (10) Waives Right to Qualified Contract
- (11) Iowa Renter to Ownership Savings Equity (ROSE) Program
- (12) Awarded State HOME Funds

THIS LAND USE RESTRICTIVE COVENANTS AGREEMENT (THIS "AGREEMENT"), dated as of December 15, 2023, by and between WHSA LLLP, an Iowa Limited Liability Limited Partnership, and its successors and assigns (the "Owner"), and the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa ("IFA").

WITNESSETH:

WHEREAS, the Owner is the owner of a twenty-seven (27) Unit rental housing development located at 110 West Washington in the City of Winterset, County of Madison, State of Iowa, on the real property described in Exhibit A attached hereto, known as The Historic Winterset High School Apartments, (the "Project"); and

WHEREAS, IFA has been designated by Iowa Code Section 16.35 as the housing credit agency for the State of Iowa for the allocation of Low-Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

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WHEREAS, the Owner has applied to IFA for an allocation of Low-Income Housing Tax Credits for the Project and has made certain representations to IFA in its IFA-approved Low-Income Housing Tax Credit Threshold and Carryover-Ten Percent (10%) Applications (collectively, the "Application"), concerning, among other things, the number of Low-Income Units (as hereinafter defined) and the term of occupancy restrictions; and

WHEREAS, the Code requires in connection with the allocation of Low-Income Housing Tax Credits that the Owner execute and deliver this Agreement and that this Agreement be recorded in the official land records of the county in which the Project is located in order to create covenants running with the land for the purpose of enforcing certain requirements of the Code and certain additional undertakings of the Owner in connection with its Application by regulating and restricting the use, occupancy and transfer of the Project as set forth herein; and

WHEREAS, based upon such representations, IFA is willing to make an allocation of Low-Income Housing Tax Credits to the Project provided that the Owner, by entering into this Agreement, agrees to be regulated by IFA in order that IFA may enforce the occupancy restrictions and other covenants, terms, and conditions of this Agreement; and

WHEREAS, the Owner, under this Agreement, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the Project land for the term stated herein and shall be binding upon all subsequent owners of the Project for such term.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Owner and IFA agree as follows:

Section 1. Recording and Filing: Covenants to Run with the Land.

(a) This Agreement shall be placed of record in the real property records of the county in which the Project is located and, except as otherwise provided herein, the regulatory and restrictive covenants contained herein governing the use, occupancy and transfer of the Project shall run with the land and shall bind the Owner and its successors and assigns, and all subsequent owners of the Project or any interest therein, and the benefits shall inure to IFA and its successors and assigns, for the period prescribed in Section 4 hereof.

(b) The Owner hereby agrees that any and all requirements of the laws of Iowa to be satisfied in order for the provisions of this Agreement to constitute restrictive covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the land. During the term of this Agreement, each and every contract, deed or other instrument hereafter executed conveying the Project or portion thereof shall expressly provide that such conveyance is subject to this Agreement, provided, however, the covenants contained herein shall survive and be effective as to successors and/or assigns of all or any portion of the Project, regardless of whether such contract, deed or other instrument hereafter executed conveying the Project or portion thereof provides that such conveyance is subject to this Agreement.

Section 2. Representations, Covenants and Warranties of the Owner.

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The Owner covenants, represents, and warrants as follows:

(a) The Owner is duly organized under the laws of the State of Iowa and is qualified to transact business under the laws of Iowa.

(b) The Owner has:

(i) (Select One)

sole fee simple title to the premises constituting the Project; or

a leasehold interest in the premises constituting the Project for a term not less than the longer of: (a) the entire period during which the proposed Project will be subject to this Agreement or (b) 35 years; or

sole fee simple title to a portion of the premises constituting the Project and a leasehold interest in the remaining portion of the premises constituting the Project, which leasehold interest is for a term not less than the longer of: (a) the entire period during which the proposed Project will be subject to this Agreement; or (b) 35 years; all as described on Exhibit A.

(ii) good and marketable title to the premises constituting the Project free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Agreement, any loan document relating to the Project or other permitted encumbrances).

(c) Each building which is the subject of an allocation of Low-Income Housing Tax Credits is, or, by no later than the last day of the first year of the "credit period," as defined in Section 42(f) of the Code ("Credit Period"), will be, a "qualified low-income building" as defined in Section 42(c)(2) of the Code ("Qualified Low-Income Building"), and the Project constitutes or will constitute a "qualified low-income housing project" as defined in Section 42(g) of the Code ("Qualified Low-Income Housing Project").

(d) The Owner shall comply with all local, state, and federal laws concerning or related to discrimination on the basis of race, creed, color, sex, sexual orientation, gender identity, age, religion, national origin, disability or familial status in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project. The Owner shall affirmatively market in accordance with the Fair Housing Act and provide an Affirmative Fair Housing Marketing Plan ("AFHMP") to IFA no less than one hundred twenty (120) days prior to a building's Placed-in-Service Date. The AFHMP must be submitted on the most recent HUD 935.2A form and reviewed and updated thereafter per the HUD 935.2A form instructions.

(e) The Owner shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project; or permit the use of any residential rental Unit for any purpose other than rental housing.

(f) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other provisions in conflict herewith.

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(g) If the Owner becomes aware of any situation, event or condition which would result in noncompliance by the Project or the Owner with the Code, the Owner shall promptly give written notice thereof to IFA.

(h) The Owner shall ensure that the Low-Income Units (as hereinafter defined) are of comparable quality to other Units, if any, in the Project.

(i) If the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Owner will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, utilizing materials and workmanship as similar as possible to the original construction and of at least as good a quality as the original construction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms hereof.

(j) The Owner shall maintain the property in reasonably good repair and as materials, appliances, fixtures and equipment are replaced from time to time, Owner shall cause materials, appliances, fixtures, and equipment of at least as good a quality as the originals to be used for such replacements.

(k) The Owner has obtained or will obtain the consent of any prior recorded lienholder(s) to the recording of this Agreement and to the subordination of the lien(s) of such lienholder(s) to this Agreement prior to the issuance of an IRS Form 8609.

(l) The Owner and management company shall neither refuse to lease a Unit in the Project, nor give preference to the holder of a certificate of eligibility under Section 8 of the U.S. Housing Act of 1937 on account of the status of the prospective tenant as such holder.

Section 3. Reserved.

Section 4. Term of Restrictions.

(a) Except as otherwise provided herein, this Agreement, including the occupancy restrictions set forth in Section 6 hereof, shall be in effect for each building which is part of the Project for a period of fifteen (15) taxable years (the "Compliance Period") beginning with the taxable year in which each such building is Placed-in-Service or, in connection with the election of the taxpayer under Section 42(f)(1)(B) of the Code, the succeeding taxable year.

(b) In addition to the period described in Subsection 4(a) above, the Owner shall comply with the occupancy requirements set forth in Section 5, 6 and 7 hereof for an additional fifteen (15) years, which, when added to the Compliance Period results in thirty (30) total years, with such total period constituting the "extended use period," as defined in Section 42(h)(6)(D) of the Code ("Extended Use Period"). Accordingly, the occupancy requirements set forth in Section 5 hereof shall remain in place for a period of thirty (30) years, except as described in Paragraph (c) below.

(c) This Agreement and the Extended Use Period for any building which is part of the Project shall terminate:

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(i) on the date the Project or the building is acquired by foreclosure or deed in lieu of foreclosure unless the Secretary (hereinafter defined) determines that such acquisition is part of an arrangement with the Owner a purpose of which is such termination; or

(ii) on the last day of the one-year period beginning on the date (after the date which is one (1) year prior to the end of the period described in Subsection 4(a) above) the Owner submits a written request to IFA to find a person to acquire the Owner's interest in the low-income portion of the building and IFA is unable to present during such period a "qualified contract" as such term is defined in Section 42(h)(6)(F) of the Code. A Project must be in compliance with all federal and state requirements and maintain such compliance throughout the Qualified Contract process. Notwithstanding the foregoing, however, this Agreement and the Extended Use Period shall NOT terminate:

(a) Reserved.

(b) Reserved.

(d) Notwithstanding any termination pursuant to Subsection 4(c) above, during the period of three (3) years following such termination, provided however, that such three (3) year period shall not extend beyond the end of the Extended Use Period, the Owner shall not evict or terminate the tenancy of an existing tenant of any Low-Income Unit (hereinafter defined) other than for good cause and shall not increase the gross rent above the maximum allowed under the Code with respect to such Low-Income Unit.

(e) Notwithstanding any termination in subsection 4(c)(ii) above, owner elected an Extended Use Period of 30 years or greater and hereby waives the Owner's right, under Section 42(h)(6)(E)(i)(II) of the Code, to terminate the Extended Use Period early through the "qualified contract" process as defined in Section 42(h)(6)(F) of the Code.

Section 5. Qualified Low-Income Housing Project.

The Owner shall maintain the Project as a Qualified Low-Income Housing Project at all times commencing not later than the last day of the first year of the Credit Period and continuing throughout the term of this Agreement. To this end, and without limitation, the Owner shall assure that all of the residential Units in the Project are available for use by the general public, suitable for occupancy and used on other than a transient basis.

Section 6. Occupancy Restrictions. The Owner covenants and agrees that:

(a) Section 42(g)(1) of the Code states the term "qualified low-income housing project" means any project for residential rental property if the project meets the requirements of subparagraph (A), (B), or (C) below, whichever was elected. For the purpose of Section 42(g)(1) of the Code, the Owner will select on the IRS Form 8609 the following test:

(A) 20-50 Test. At least **twenty percent (20%)** of the residential rental units in the Project shall be both rent-restricted (as hereinafter defined) and occupied by individuals or families whose income is **fifty percent (50%)** Area Median Gross Income ("AMI") or

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less.

(B) 40-60 Test. At least **forty percent (40%)** of the residential rental units in the Project shall be both rent-restricted (as hereinafter defined) and occupied by individuals or families whose income is **sixty percent (60%)** of Area Median Gross Income ("AMI") or less.

(C) Average Income Test. At least forty percent (40%) or more of the residential Units in the Project are both rent-restricted and occupied by individuals whose income does not exceed the designated imputed income limit of the respective Units and the average of the imputed income limit designated Units does not exceed sixty percent (60%) of AMI. The designated imputed income limitation of any Unit shall be in ten percent (10%) increments of AMI levels from twenty percent (20%) to eighty percent (80%) of AMI.

(b) Notwithstanding the election described in Subsection 6(a) above, the Owner covenants and agrees that the residential Units shall be rent restricted and income restricted throughout the Compliance Period and Extended Use Period as follows: At least zero (0) of the residential rental units shall be both rent-restricted and occupied by individuals or families whose income is twenty percent (20%) AMI or less, at least zero (0) of the residential rental Units shall be both rent-restricted and occupied by individuals or families whose income is thirty percent (30%) AMI or less, at least six (6) of the residential rental Units shall be both rent-restricted and occupied by individuals or families whose income is forty percent (40%) AMI or less, at least zero (0) of the residential rental Units shall be both rent-restricted and occupied by individuals or families whose income is fifty percent (50%) AMI or less, at least eighteen (18) of the residential rental units shall be both rent-restricted and occupied by individuals or families whose income is sixty percent (60%) AMI or less, at least zero (0) of the residential rental units shall be both rent-restricted and occupied by individuals or families whose income is seventy percent (70%) AMI or less, and at least zero (0) of the residential rental Units shall be both rent-restricted and occupied by individuals or families whose income is eighty percent (80%) AMI or less.

(c) Rent Reduction. The Owner has agreed to establish the Low-Income Housing rents for eighteen (18) of the Minimum Set-Aside Units at the forty percent (40%) AMI rent level. This rent reduction applies only to the rent levels and tenant income eligibility will remain at the applicable sixty percent (60%) AMI or fifty percent (50%) AMI level, depending on the minimum set-aside elected.

(d) The Owner has agreed to perform an annual recertification of tenant income along with serving the lowest income residents at forty percent (40%) AMI or less as listed above in Subsection 6(b) above.

(e) The Owner has agreed to serve lowest income residents as listed in Subsection 6(b) above. The number of forty percent (40%) AMI or less rent and income restricted Units shall be maintained throughout the Compliance Period and Extended Use Period. At each annual re-certification an increase in these residents' household income above the applicable forty percent (40%) AMI determined at move-in shall require the next available Unit of comparable size in the Project to be rented to a household having the appropriate qualifying AMI income.

(f) All of the Low-Income Units shall be generally distributed in terms of location and number of bedrooms throughout the Project. The Low-Income Units shall be of comparable quality and offer a range of sizes and number of bedrooms comparable to those Units which are available to other tenants.

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(g) Of the residential rental Units which are to be subject to the restrictions of Section 6 hereof, at least two (2) shall be zero-bedroom Units, at least eighteen (18) shall be one-bedroom Units, at least four (4) shall be two-bedroom Units, at least zero (0) shall be three-bedroom Units, and at least zero (0) shall be four-bedroom Units.

(h) The Owner has elected to provide three (3) market rate units dispersed throughout the property rather than segregated and maintain this number of market rate units throughout the Compliance Period and the Extended Use Period.

(i) All of the foregoing residential rental Units are collectively referred to herein as the "Low-Income Units", and, with respect to all of such Low-Income Units, AMI shall be determined in accordance with the Code. The Owner further agrees that additional Units in the Project shall be both rent-restricted and occupied by low-income individuals or families whose incomes meet the requirements of Section 6(b) above to the extent necessary to maintain the "applicable fraction," as defined in Section 42(c)(1)(B) of the Code ("Applicable Fraction"), at not less than the percentage set forth on Exhibit B for each taxable year of the Extended Use Period. A Unit is "rent-restricted" if the gross rent with respect to such Unit does not exceed thirty percent (30%) of the imputed income limitation applicable to such Unit, all as determined in accordance with Section 42(g) of the Code.

(i) The determination of whether an individual or family is a Qualifying Tenant (that is, meets the income requirements of Subsection 6(a) above) shall be made at least annually on the basis of the income of such individual or family. IFA may allow certification on a less frequent basis as permitted by IFA's Compliance Manual. If the income of the occupants of a low-income Unit rises above the income limitation applicable under Subsection 6(a) above, the owner shall comply with Section 42(g)(2)(D)(i) and (ii) of the Code.

(ii) As a condition to occupancy, each individual or family who is intended to be a Qualifying Tenant shall be required to sign and deliver to the Owner a fully completed Tenant Income Certification in the form provided from time to time by IFA, and the income and assets of such individual or family must be verified in the manner prescribed by IFA.

(iii) The form of lease to be utilized by the Owner in renting any Unit in the Project to any person who is intended to be a Qualifying Tenant shall provide for termination of the lease and consent by such person to immediate eviction for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification or the failure by such tenant to execute a Tenant Income Certification annually when required by IFA's Compliance Manual.

Section 7. Additional Owner Agreements. The Owner further covenants and agrees to the following:

(a) The Project is designated a Older Persons 55 project.

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(b) The Owner has agreed to partner with an IFA-approved Local Lead Agency, as defined in the QAP, who shall act as a referral agent for all vacant Units. The Local Lead Agency shall agree to assist in affirmatively marketing the Project to persons with a Disability and to refer persons with a Disability as potential tenants to the Project. Documentation showing a commitment to notify the Local Lead Agency of all vacancies shall be provided to IFA. The Owner shall maintain the partnership with the IFA-approved Local Lead Agency and comply with the requirements as set forth in QAP Part A, Section 8.6.2.1 at all times during the Compliance Period and Extended Use Period. IFA approval is required to change the Local Lead Agency during the Compliance Period and Extended Use Period.

(c) Reserved.

(d) All buildings that contain residential rental Units shall have at least one Low-Income Unit. The LIHTC Available Unit Rule ("AUR"), sometimes referred to as the Next Available Unit Rule ("NAUR"), shall apply to all buildings in the Project. Each building's Applicable Fraction shall be maintained throughout the Compliance Period and the Extended Use Period.

(e) The Owner shall lease Units designed for Persons with Disabilities to tenants requiring the accessibility feature of such Units, as required in HUD regulation 24 CFR 8.27 for Section 504 of the Rehabilitation Act of 1973, as amended. When leasing an Accessible Unit to a tenant who does not require such accessibility features, the Owner must attach an addendum to that tenant's lease; wherein, the tenant agrees to move, upon the Owners' request and expense, to a comparable non-accessible Unit.

(f) Reserved.

(g) If the Project's Tax Credit investor has an Identity of Interest with an Owner Representative of the Project, the Tax Credit Investor shall at all times throughout the Compliance Period, have a third-party asset manager that is pre-approved by the IFA Tax Credit Director.

(h) If the Project has a direct investor, the Project's direct investor shall have a LIHTC asset management department with at least three years' experience throughout the Compliance Period.

(i) The Owner shall develop and make public written tenant selection policies and procedures that include a preference for persons with a Disability. The written tenant selection policy/plan shall be submitted to IFA at least one hundred twenty (120) days prior to the first Unit Placed-in-Service and the plan shall be maintained throughout the Compliance Period and the Extended Use Period.

(j) The Owner and its managers shall comply with Title VI of the 2013 Violence Against Women Act, Safe Homes for Victims of Domestic Violence, dating Violence, Sexual Assault, and Stalking ("VAWA"), and shall use the proscribed U.S. Housing and Urban Development ("HUD") VAWA and IFA forms.

(k) Reserved.

(l) All on-site property management staff will complete Mental Health First Aid training approved by the Iowa Department of Human Services and/or an Olmstead Consumer Taskforce approved Disability awareness training program, such as may be offered by a Center for Independent Living, prior to the issuance of an IRS Form 8609.

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- (m) The features and amenities set forth on Exhibit C-1 attached hereto shall be constructed, equipped, set-aside and made available at the Project for the entire Extended Use Period.
- (n) The features and amenities set forth on Exhibit C-2 attached hereto shall be constructed, equipped, set-aside and made available at the Project for the duration of the Compliance Period.
- (o) With the written consent of IFA, the number of property manager-occupied Units within the Project may be increased or decreased to improve the efficient operations of the property.
- (p) Unless IFA agrees otherwise in writing, the Owner shall notify the appropriate United States Housing and Urban Development (HUD) public housing agency, any rental housing locator servicer contracted by IFA, the IFA-approved Local Lead Agency, and any other agencies as IFA shall direct from time to time, of all Unit vacancies in the Project.

Section 8. Owner Certifications and Reports.

- (a) Within sixty (60) calendar days of IFA's issuance of date of the IRS Form 8609, the Owner shall Provide to IFA a copy of the First Year Certification Part II of IRS Form 8609, as filed or prepared for filing with the IRS and executed by or on behalf of the Owner.
- (b) The Owner shall annually provide to the Secretary of the United States Department of the Treasury (the "Secretary"), or to his or her designee, at such time and in such manner as the Secretary shall prescribe, a certification as to the continuing compliance of the Project with requirements of the Code. A copy of such annual certification shall be provided to IFA.
- (c) The Owner shall provide to IFA, annually, on March 1 or the next business day, a Certification of Continuing Program Compliance and an Occupancy Report, each in the form provided, from time to time, by IFA, together with a copy, for each building, of the most recently filed IRS Form 8609 Schedule A: Annual Statement.
- (d) The Owner shall maintain in its records and provide to IFA copies of any and all notices and correspondence from or with the IRS concerning the Project or the Owner.
- (e) In addition to the information provided for in Sections 6, 7 and 8 hereof, the Owner shall provide any other information, documents or certifications requested, from time to time, by IFA with respect to the Project's physical, operational, and financial condition and its residents which IFA reasonably deems necessary to substantiate the Owner's continuing compliance with the provisions of this Agreement and the Code.
- (f) Owners shall submit annual audited financial statements for the Project within 120 days of the close of the Project's fiscal year, beginning the year after they have received the IRS Form 8609. IFA may require more frequent financial statements, such as income and expense statements and balance sheets not more than thirty (30) days old. The more frequent financial statements need not be audited. Year-end statements must be certified by a Certified Public Accountant ("CPA").

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(g) The Owner shall submit to IFA, within six (6) months from the date IFA sends the IFA executed IRS Form 8609, verification that the Operating and Replacement Reserve accounts have been funded and the terms and conditions of QAP Section 4.3 has been met. The Operating Reserve shall be in place for the first fifteen (15) years and be used solely to cover operating deficits. The requirements for the Operating and Replacement Reserve accounts are a compliance issue.

Section 9. Transfer Restrictions.

(a) The Owner shall not sell, assign, convey, transfer or otherwise dispose of the Project or any building in the Project without the prior written consent of IFA. Such consent shall be given provided that: (i) the Owner is in compliance with the requirements of this Agreement and of Section 42(j)(6) of the Code; (ii) the proposed transferee of the Project evidences, to the reasonable satisfaction of IFA, by its performance with respect to other Low-Income Housing Tax Credit or government-assisted housing projects and otherwise, its willingness and ability to comply with the terms of this Agreement; and (iii) in no event shall the Owner dispose of any portion of any building in the Project to any person unless all of such building is disposed of to such person. For the purposes of this Subsection, Owner agrees that a transfer of any interest of a General Partner or principal (other person or entity that holds an ownership interest in the Owner and has power to direct any aspect of the operations of the Owner or is entitled to fifty percent (50%) or more in any of the profits, losses, cash flow or residual value of the Project) shall be deemed a transfer of the Project.

(b) The Owner shall include, verbatim or by incorporation by reference, all requirements and restrictions contained in this Agreement in any deed or other documents transferring any interest in the Project or in any building in the Project to any other person or entity to the end that such transferee has notice of and is bound by such restrictions and shall obtain the express written assumption of this Agreement by any such transferee. Copies of the aforementioned documentation shall be delivered to IFA.

(c) The consent of IFA to any action, under Section 9(a) hereof, shall not constitute a waiver of the necessity of such consent to any subsequent action. The Owner further agrees that IFA may void any sale, assignment, conveyance or transfer of the Project if the successor owner or party thereunder fails to execute and deliver an assumption agreement or if the Owner or party thereunder otherwise acts contrary to this Section.

Section 10. Physical Maintenance/Management/Books/Records/Inspections.

(a) The Owner shall maintain each building in the Project such that all units are suitable for occupancy, taking into account applicable health, safety and building codes, and otherwise in a manner reasonably satisfactory to IFA and in compliance with the uniform physical condition's standards set forth at 24 CFR pt. 5, Section 7.03.

(b) The Owner shall provide for the management of the Project in a manner reasonably determined by IFA to assure compliance with this Agreement. Any management contract entered into by the Owner involving the Project shall provide that it shall be subject to termination, without penalty and with or without cause, upon written request by IFA addressed to the Owner. Upon such request the Owner shall immediately terminate the contract within a period of not more than thirty (30) days and shall make arrangements reasonably satisfactory to IFA for continuing proper management of the Project.

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(c) The books, contracts, records, computerized data, documents and other papers relating to compliance of the Owner and the Project with the Code, with this Agreement, and the eligibility of the Owner to claim credits with respect to the Project, shall at all times be available for inspection by IFA and the IRS. All of the aforementioned materials shall be in reasonable condition for proper audit and shall be subject to examination and inspection and copying at any reasonable time by IFA or its authorized agents. IFA shall also have the right to enter and inspect the Project at any reasonable time.

(d) Owners shall keep records for each Qualified Low-Income Building in the Project showing the following:

- (i) the total number of residential rental Units in the building (including the number of bedrooms and the size in square feet of each Unit);
- (ii) the percentage of residential rental Units in the building that are Low- Income Units;
- (iii) the rent charged on each residential rental Unit in the building (including any utility allowance);
- (iv) the number of occupants in each Low-Income Unit;
- (v) the Low-Income Unit vacancies in the building and information that shows when, and to whom, the next available Units were rented;
- (vi) the initial and annual student certification of each Qualifying Tenant unless Section 42(g)(8)(B) of the Code applies;
- (vii) the annual income certification of each Qualifying Tenant unless Section 42(g)(8)(B) of the Code applies;
- (viii) documentation to support each Qualifying Tenant's income certification;
- (ix) the eligible basis and qualified basis of the building at the end of the first year of the Credit Period; and
- (x) the character and use of the nonresidential portion of the building included in the building's eligible basis under Section 42(d) of the Code (e.g., tenant facilities that are available on a comparable basis to all tenants and for which a separate fee is not charged for use of the facilities, or facilities reasonably required by the Project).

(e) Owners shall keep all records for each building for a minimum of six (6) years after the due date (with extensions) for filing the Owner's federal income tax return for any year; provided, that the records for the first year of the Credit Period must be retained for at least six (6) years beyond the due date (with extensions) for filing the federal income tax return for the last year of the Compliance Period of the building.

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(f) At IFA's request, Owner will assist IFA in obtaining photos of the project by an approved photographer. If photos are requested, Owner will coordinate with the approved photographer and provide any necessary access to the project.

Section 11. Prohibition Against Actions Described in Section 42(h)(6)(E)(ii)(I) and (II) of the Code.

The Owner covenants and agrees that during the Extended Use Period it (a) will not evict or terminate the tenancy of an existing tenant of any Low-Income Unit other than for good cause, and (b) will not increase the gross rent above the maximum allowed under the Code with respect to such Low-Income Unit.

Section 12. Enforcement.

(a) The Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of the Code or of this Agreement. Moreover, the Owner covenants to take any lawful action (including amendment of this Agreement) as may be necessary, in the opinion of IFA, to comply fully with all applicable statutes, rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the United States Department of the Treasury or the IRS from time to time pertaining to the Owner's obligations under the Code and affecting the Project.

(b) The Owner shall promptly advise IFA as to the date each building in the Project is a Qualified Low Income Building.

(c) In the event of any failure of the Owner to comply with the provisions of the Code or of this Agreement, IFA shall inform the Owner by written notice of such failure and provide the Owner a period of time in which to correct such failure. If any such failure is not corrected to the satisfaction of IFA within the period of time specified by IFA, which shall be at least thirty (30) days after the date any notice to the Owner is mailed, or within such further time as IFA determines is necessary to correct the violation, but not to exceed any limitations set by applicable regulations, without further notice IFA may declare a default under this Agreement effective on the date of such declaration of default, and IFA may (i) apply to any court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement; (ii) secure the appointment of a receiver to operate the Project in compliance with this Agreement; or (iii) exercise any other remedies at law or in equity or any such other action as shall be necessary or desirable to correct non-compliance with this Agreement.

(d) The Owner and IFA each acknowledges that the primary purpose of requiring compliance by the Owner with the restrictions provided in this Agreement is to assure compliance of the Project and the Owner with the Code, AND BY REASON THEREOF, THE OWNER IN CONSIDERATION OF RECEIVING AN ALLOCATION OF LOW-INCOME HOUSING TAX CREDITS FOR THE PROJECT HEREBY AGREES AND CONSENTS THAT IFA, ANY QUALIFYING TENANT AND ANY INDIVIDUAL WHO MEETS THE INCOME LIMITATION APPLICABLE TO THE BUILDING UNDER THE CODE (WHETHER PRESENT, PROSPECTIVE OR FORMER OCCUPANTS OF THE BUILDING) (ANY OR ALL OF THEM) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE OWNER OF ITS OBLIGATIONS UNDER THIS AGREEMENT IN ANY COURT, STATE OR FEDERAL, OF COMPETENT JURISDICTION. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

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(e) In the event of the Owner's or Project's failure to comply fully with the Code, the covenants and agreements contained herein or with all applicable statute, rules, rulings, policies, procedures, regulations, or other official statements promulgated or proposed by the United States Department of the Treasury or the IRS or IFA from time to time pertaining to the obligations of the Owner as set forth therein or herein, IFA, in addition to all of the remedies provided by law or in equity, may notify the IRS of such noncompliance.

Section 13. Return of Unused Credit.

Pursuant to Section 42(h)(3)(C) of the Code and Treasury Regulation §1.42-14(d) thereunder, the housing tax credit dollar amount allocated to the Owner with respect to the Project shall be cancelled and returned to IFA, in whole or in part, if (i) any building in the Project is not a Qualified Low-Income Building within the time period required by the Code, or (ii) the "Qualified Basis" of any building in the Project is less than the Qualified Basis on which the credit amount was allocated by IFA, (iii) IFA and the Owner cancel an allocation of an amount of credit by mutual consent, or (iv) IFA determines under Section 42(m)(2) of the Code that an amount of credit allocated to the Project is not necessary for the financial feasibility of the Project and its viability as a Qualified Low-Income Housing Project throughout the Credit Period.

Section 14. No Reliance.

In issuing the Tax Credit Allocation, IFA has relied upon information provided and representations made by the Owner or the Owner's designee, and the Tax Credit Allocation does not in any way constitute a representation, warranty, guaranty, advice or suggestion by IFA as to the qualification of the Project for the tax credits, or the feasibility or viability of the Project, and may not be relied on as such by any owner, developer, investor, tenant, lender, or other person, for any reason. In addition, IFA's acceptance of the certifications and representations required in connection with Owner's request for the Tax Credit Allocation does not constitute a representation as to the satisfaction of the requirements under Section 42(h)(1)(E) of the Code as binding on the part of the IRS.

Section 15. Release and Indemnification.

(a) The Owner agrees to release and forever discharge IFA, its members, employees, agents, officers, successors, and assigns, from any and all claims, demands, causes of actions, judgments and executions which the Owner has or may hereafter have against IFA, whether in law or in equity, arising or resulting from, or on account of or pertaining to, whether directly or indirectly, the issuance of a Form 8609 with respect to the Project by IFA.

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(b) The Owner, (the "Indemnitor"), hereby agrees to indemnify, save harmless and defend IFA, its members, members of its board of directors, officers, agents, employees, successors and assigns from and against any obligation, claim, loss, damages, deficiencies, liabilities, demands, cost, expense (including the costs of the investigation and settlement of any claim, and including reasonable attorneys' fees), fines, or judgment against IFA directly or indirectly, arising or resulting from, or on account of or pertaining to, whether directly or indirectly: (i) the financing, acquisition, construction and/or rehabilitation, syndication, sale, management or operation of the Project; (ii) any noncompliance or failure to perform any covenant under this Agreement or any other Project document (whether or not cured); (iii) any breach of a representation, warranty or covenant under this Agreement or in any other Project document; (iv) any other act or omission (whether or not cured) constituting a failure in compliance, or (v) the enforcement by IFA, its successors and assigns of IFA's rights and remedies under this Agreement or any other Project document.

(c) If any such claim is asserted, any Indemnified Party hereunder will give prompt notice to the owner and will cooperate in the investigation and defense of any such claim. The Indemnitor will assume the defense of any such asserted claim by engaging counsel approved by the Indemnified Party (which approval shall not be unreasonably withheld), it being understood and agreed that the Indemnified Party shall have the right to employ its own separate counsel and participate in such proceedings at the Indemnitor's cost and expense if such Indemnified Party is advised in an opinion of counsel rendered in good faith that there may be legal defenses available to such Indemnified Party which are adverse to or in conflict with those available to the Indemnitor.

(d) The obligations of the Indemnitor under this Section 15 shall survive any transfer of the Project (whether voluntary or involuntarily) or termination of this Agreement and any attempted transfer or assignment or termination of the Indemnitor's interest in Owner or the Project; provided, however, the indemnification obligations of the Indemnitor shall not apply with respect to matters first arising after such Indemnitor has disposed of the Indemnitor's interest in the Project or the owner, as applicable, in accordance with the provisions of this Agreement.

Section 16. Miscellaneous.

(a) The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

(b) All notices to be given pursuant to this Agreement shall be in writing and will be deemed given at the time it is actually received; or, within one day in the case of an overnight service such as Federal Express with guaranteed next day delivery; or, within five days after deposited in the U.S. Mail, to the parties at the addresses set forth below:

To IFA:

Iowa Finance Authority

1963 Bell Avenue, Suite 200

Des Moines, Iowa 50315

Attention: Asset Management Director

To the Owner:

WWSA LLLP
1620 PLEASANT ST STE 123
DES MOINES, Iowa 50314-1675
Attention: Ryan Galloway

(i) IFA or Owner may, by notice given pursuant to this Agreement, designate any further or different addresses to which subsequent notices, consents, or other communications shall be sent. Notices regarding compliance and monitoring by IFA may be sent by electronic mail.

(c) Compliance with the Law and Regulations.

(i) The Owner shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement.

(ii) The Owner declares that it has complied with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work to be performed under this Agreement.

(iii) IFA may consider the failure of the Owner to comply with any law or regulation as a material breach of this Agreement subjecting the Agreement to immediate cancellation.

(d) Amendments. This Agreement may be amended in writing from time to time by mutual consent of the parties. All amendments to this Agreement must be fully executed by both parties and recorded in the official land records of the county in which the Project is located.

(e) Choice of Law and Forum.

(i) The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Agreement without regard to the choice of law provisions of Iowa law.

(ii) In the event any proceeding of a quasi-judicial or judicial nature is commenced in connection with this Agreement, the proceeding shall be brought in Des Moines, Iowa, in Polk County District Court for the State of Iowa, if jurisdiction is proper. If however, jurisdiction is not proper in the Iowa District Court, Polk County, but is proper only in a United States District Court, the matter shall be commenced in the United States District Court for the Southern District of Iowa, Central Division.

(iii) This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to IFA or the State of Iowa.

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(f) **Assignment and Delegation.** The Owner shall not assign, transfer, convey, or otherwise dispose of this Agreement, its duties under this Agreement, or any rights, title, or interest in this Agreement to any other person, corporation, or other entity without the prior written approval of IFA which may be given or withheld in IFA's good faith business judgment.

(g) **Recovery of Attorneys' Fees.** If IFA shall incur legal fees or other expenses in enforcing its rights and/or remedies, or the Owner's obligations, under this Agreement the Owner shall reimburse IFA for those fees and other expenses within ten (10) days of receipt of written demand therefor.

(h) **Integration.** This Agreement, including all the documents incorporated by reference, represents the entire agreement between the parties and neither party are relying on any representation that may have been made which is not included in this Agreement.

(i) **Headings or Captions.** The paragraph headings or captions are for identification purposes only and do not limit or construe the contents of the paragraphs.

(j) **Not a Joint Venture.** Nothing in this Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent/principal relationship) between the parties hereto. Each party shall be deemed an independent contractor contracting for services and acting toward the mutual benefits expected to be derived here from. No party, unless otherwise specifically provided for herein, has authority to enter into any agreement or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Agreement.

(k) **Waiver.** Any breach or default by either party shall not be waived or released other than by a writing signed by the other party. Failure by either party at any time to require performance by the other party or to claim a breach provision of the Agreement shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.

(l) **Each party to this Agreement represents and warrants to the other that:**

(i) It has the right, power, and authority to enter into and perform its obligations under this Agreement.

(ii) It has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Agreement and this Agreement constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

(m) **Successors in Interest.** All the terms, provisions, and conditions of the Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

(n) **Counterparts.** The parties agree that this Agreement has been or may be executed in several counterparts including facsimile copies, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

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(o) Conflicts. In the event of a conflict between this the terms of this Agreement, the Code, and the QAP, the conflict shall be resolved according to the following priority, with the higher priority controlling the resolution to the conflict:

- (i) the Code;
- (ii) the QAP; and
- (iii) this Agreement.

(p) Miscellaneous. All words and phrases in this Agreement shall have the same meaning as defined in this Agreement, the Code, and the QAP.

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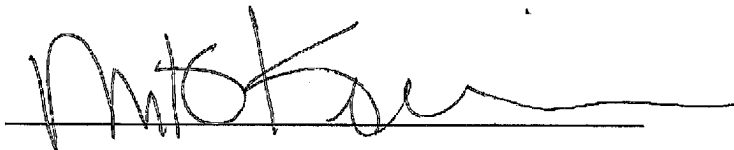
[Signature Page Follows]

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IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Agreement and have caused their duly authorized representatives to execute this Agreement.

OWNERSHIP ENTITY: WHSA LLLP, an Iowa Limited Liability Limited Partnership

By: Winterset High School Flats LLC, its General Partner

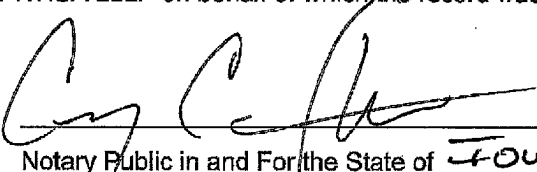
By: 

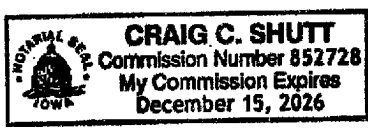
Printed Name: Michael Kiernan

Title: Managing Member

State of IOWA }
 } ss.
County of POLK }


This Agreement was acknowledged before me on this 10th day of January, 2024, by Michael Kiernan as Managing Member of Winterset High School Flats LLC, its General Partner, an Iowa limited liability company, the General Partner of WHSA LLLP on behalf of which the record was executed.


Notary Public in and For the State of IOWA
County of POLK
(Seal/Stamp)



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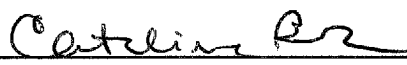
Iowa Finance Authority
1963 Bell Avenue, Suite 200
Des Moines, IA 50315
IFA Tax ID # 52-1699886

By: 
Name: Brian D. Sullivan
Title: Chief Programs Officer

State of Iowa }
 } ss.
County of Polk }

This Agreement was acknowledged before me on January 11, 2024 by Brian D. Sullivan as Chief Programs Officer of the Iowa Finance Authority.




Notary Public in and for the State of Iowa
Seal/Stamp)

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EXHIBIT A
LEGAL DESCRIPTION

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7) and Eight (8) in Block Thirty-Two (32), Original Town of Winterset, Madison County, Iowa;

AND

The Alley running East and West through said Block Thirty-Two (32)

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EXHIBIT B
MINIMUM APPLICABLE FRACTION BY BUILDING

Building Identification Number	Building Address	Minimum Applicable Fraction
IA-22-20001	110 West Washington, Winterset	88.41 %

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EXHIBIT C-1

The features and amenities set forth on this Exhibit C-1 shall be constructed, equipped, set-aside, and made available at the Project for the duration of the Extended Use Period:

In-Unit Laundry Space with Washer and Dryer

Appliances: cook top, oven, microwave, refrigerator with freezer, built-in dishwasher

Video Security System

Storage Units

Community Room

Picnic Tables and grill: A minimum of two picnic tables and one grill for every 25 Units.

Fenced dog walking area with waste area.

Dedicated onsite recycling area

EXHIBIT C-2

The features and amenities set forth on this Exhibit C-2 shall be constructed, equipped, set-aside and made available at the Project for the duration of the Compliance Period:

Shower head and hand-held shower combination or an adjustable height, movable hand-held shower head with a shower head in all Units.

Motion-sensing light switches in each bathroom the Unit.

ADA compliant single lever faucet controls.

Large ADA compliant kitchen cabinet and drawer pulls.

Bedroom closet doors are not bi-fold.

Siding: An air infiltration barrier is required on all new siding installations. Siding within six feet of the ground shall be durable and impact resistant.

Passive or Active Radon System

On-Site Leasing Office

Screened Trash Enclosures

On-Site Surface Parking: 27 parking spaces. Rent will not be charged.

Main Entrance Areas: Unit Main entrance to interior shall be designed with a foyer and equipped with a remote security system and intercom system to each unit to control entry to common areas.

Security Locked Building

Window Coverings - Non-spring loaded.

Resilient Flooring

No Smoking Policy

Water Conserving Measures: High efficiency WaterSense toilets, faucet aerators in kitchen and bathrooms, showerheads that use 1.5gp, or less.

In Unit Energy Efficient Water Heaters

Minimum Bathroom Accessories: Towel bar(s) within reach of lavatory and tub/shower, toilet paper holder, shower curtain rod (if applicable), mirror, a dedicated drawer, cabinet or shelf space for safe medicine storage is required in at least one bathroom of each residential Unit.

Easily adjustable closet rods and shelves in each bedroom closet in each Accessible Unit.

Garbage Disposal