COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2017, by and between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City") and Show-Me Central Habitat for Humanity, a non-profit corporation of the State of Missouri (hereinafter, "Agency"). The period of this agreement ends on the 1st day of September, 2019.

WITNESSETH:

WHEREAS, the City receives HOME Investment Partnership Program (HOME) funds from the U.S. Department of Housing and Urban Development for the purpose of retaining and adding to the supply of affordable housing in the community, and

WHEREAS, 15% of those funds are set aside for use by Community Housing Development Organizations (CHDO) in order to develop, sponsor and/or own affordable housing.

WHEREAS, Agency meets the requirements of CHDO designation as specified by the U.S. Department of Housing and Urban Development and intends to expend its funds on HOME eligible activities as defined in 24 CFR Part 92 (HOME regulations) to produce affordable housing.

WHEREAS, the City will be transferring title of property located at 115 Lynn Street (hereinafter, "Property") to the Agency in order to develop an affordable housing unit on the Property legally described as:

> The west half (w ½) of Lot seven (7) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri, and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through Nine (9) of John A. Stewart's Subdivision recorded in Book 4074, Page 164, Records of Boone County, Missouri.

Subject to all terms, conditions, and restrictions set forth herein.

NOW, THEREFORE, be it resolved that the City and the Agency agree as follows:

1) Eligible Activities

a. City agrees to provide Agency $38,500 HOME funding and transfer the above described real estate for the purpose of developing the Property with a single family, owner-occupied housing unit; and providing homeownership assistance to a low to moderate income household purchasing the Property. Funds shall be expended on HOME eligible activities as defined by HOME regulations at 24 CFR Part 92.206. The Agency shall not use these funds for the purposes of prohibited activities as defined by 24 CFR Part 92.214. The Agency shall provide an updated statement of sources and uses of financing to the City upon the obligation of funds for each activity for which HOME funds are obligated.

b. This agreement is subject to all terms and conditions of the agreement between the Agency and the Columbia Community Land Trust, labeled as, Columbia Community Land Trust and the Columbia Missouri Community Housing Trust Organization Agreement executed on August 22, 2017, attached hereto as Exhibit A and incorporated herein.

c. Payment may be made to the Agency as progress payments or upon completion of the project. In the case of progress payments, 90% of payment request amount shall be paid, the retained 10% shall be paid upon complete satisfaction of all terms of this agreement and the attached Columbia Community Land Trust and Columbia Missouri Community Housing Development Organization Agreement executed on August 22, 2017. Payment requests shall be provided with supporting invoices. No payment shall be made under this agreement until completion of environmental review of activities by the City is completed and a release of funds for activities proposed by the Agency has been obtained from the Department of Housing and Urban Development.

d. The Agency shall satisfactorily demonstrate to City that they have effective management control of the development and will own, develop and/or sponsor all HOME funded developments. Each project shall meet the subsidy layering requirements as established by the City.

e. All housing activities shall comply with the specifications contained in the following documents: the request for proposal document issued by the City for the Property attached as Exhibit D and incorporated herein, and the proposal submitted by the Agency for the Property attached as Exhibit G and incorporated herein. Development shall also include 4kw min active solar photovoltaic system. Any changes to construction specifications must be agreed to and approved by the City in writing.

2) Performance Measurements: Agency shall use CHDO funding from this agreement, CHDO proceeds available, and other available financing, to construct a minimum of one single family home to benefit owner occupants at or below 80% of the median income.
   a) Agency must obtain approved City permits to begin construction by November 1, 2017, or City may require the Agency to repay expended funds and de-obligate the remaining balance under this agreement.
   b) Agency must obtain a Certificate of Occupancy from the City of Columbia by December 1, 2018.
   c) Final payment must be requested by Agency within 30 days of issuance of Certificate of Occupancy.
   d) Agency must enter into ratified sales contract of Property within 9 months of the date of issuance of a Certificate of Occupancy by the City of Columbia.

City may require the Agency to repay expended funds upon failure to meet any of these deadlines.

3) City Recognition: Agency shall ensure recognition of the role of the City HOME funds in providing services through this agreement, including reference to the support provided herein in all publications made possible with funds available under this Agreement.

4) Proceeds from Home Sales: Sales price shall be approved by City and based on market study and appraisal obtained by Agency. Any CHDO proceeds, as calculated by City, may be retained by the Agency and used for additional HOME eligible activities. Eligible activities may include operating costs as defined in 24 CFR Part 92.208, or other HOME eligible project costs defined at 24 CFR Part 92.206 within the City limits of Columbia. The total amount of CHDO proceeds expended for operating costs shall not exceed 10% of the CHDO set aside investment for each project. CHDO proceeds are defined as the sales price less superior loan repayment, CHDO development equity, sales and closing costs charged to CHDO, and developer fee. The Agency shall provide a report to the City on the receipt and use of all proceeds, including operating costs, on an annual basis.

5) City Inspections: Agency shall notify the City of Columbia Community Development Department of completion of the following items for progress inspections:

   a) Foundation Foam.
   b) Slab Foam.
   c) Roof, after tarpaper and before shingles.
   d) After installation of exterior water resistant barrier and before siding.

e) Blower door test after spray foam.
f) Radon test after sheetrock.

6) The following other Provisions Apply as required by 24 CFR Part 92:

a) Housing for homeownership shall not exceed the mortgage limits established by Section 203(b) of the National Housing Act. Each family of a homebuyer assisted by the Agency shall qualify as low income as defined by HUD for the HOME program. Each unit shall be initially the principal residence of the homebuyer. The period of affordability of each homebuyer assisted unit is established by 24 CFR Part 92.254(4) and (5). As each housing unit constructed is sold to a low to moderate income buyer, the Agency shall provide a copy of the signed promissory note and recorded deed of trust enforcing the affordability provisions at 24 CFR Part 92.254(4) and (5).

b) Nondiscrimination and equal opportunity. The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966- 1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971- 1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.

c) Must establish a minority outreach program described at 24 CFR 92.351(b).

d) Disclosure requirements. The disclosure requirements and prohibitions of 31 U.S.C. 1352 and implementing regulations at 24 CFR part 87; and the requirements for funding competitions established by the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3531 et seq.).

e) Debarred, suspended or ineligible contractors. The prohibitions at 24 CFR part 24 on the use of debarred, suspended or ineligible contractors.

f) Drug-Free Workplace. The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) and HUD's implementing regulations at 24 CFR part 24.

g) Shall provide an annual audit to the City conducted by an independent certified CPA.

h) Lead-Based Paint requirements at 24 CFR Part 35 and State of Missouri Lead Paint regulations at 19 CSR 30-70.110 - 640.

i) Flood insurance requirements at 92.358.

j) The Agency shall certify to the city that HOME funds do not provide more than 50% of its annual operating budget during the year in which funds are provided.

7. Records and Reports

a. The Agency shall provide all information needed for compliance monitoring purposes by the City or the U.S. Department of Housing and Urban Development. Agency shall permit City to inspect all assisted housing to ensure compliance with required property standards.

b. Upon the sale of each property, the Agency shall provide a copy of the closing statement and completion report to the City;

c. Agency shall retain all records pertinent to the HOME program described at 92.508 (3) (4) vi-viii, (7) (i) (A) & (B), and (ii) - (viii) and allow access to such records upon request and during monitoring visits.

8. Reversion of Assets

Upon expiration of this agreement, the Agency must transfer to the City any HOME funds on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

ATTEST:

BY: _____
Sheela Amin, City Clerk

CITY OF COLUMBIA, MISSOURI

_____
Mike Matthes, City Manager

APPROVED AS TO FORM:

_____
Nancy Thompson, City Counselor

SHOW-ME CENTRAL HABITAT FOR HUMANITY

BY: _____

Title: _____

CERTIFICATION: I hereby certify that this agreement is within the purpose of the appropriation to which it is to be charged, Account No. 26704130-504990 COMMDEV-G44026, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore

_____
Michelle Nix, Director of Finance

Columbia Community Land Trust and Columbia Missouri Community Housing Development Organization Agreement

This agreement by and between Columbia Community Land Trust and its representatives, designees, officers, directors, employees, agents, successors and their assigns ("Agency") and Show Me Central Habitat for Humanity, a Community Housing Development Organization ("CHDO") and is effective as of the date of signing by both parties.

CHDO Responsibilities

In consideration for Agency's agreement to engage CHDO and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CHDO agrees that the requirements in this agreement apply to ALL work performed by CHDO for Agency regardless of when or where the work is performed and regardless of the specific project on which the work is performed. In addition, CHDO also agrees that the terms of any other agreement(s) between the parties do not extinguish or supersede the requirements of this agreement.

Specifically, CHDO agrees with Agency as follows:

Terms and Conditions of Work

To perform and oversee all work involving the construction of an affordable home, as set forth in the CHDO's proposal and specs for 115 Lynn Street (Exhibit A). 115 Lynn Street is legally described as:

> The west half (w ½) of Lot seven (7) in John A. Stewart's Subdivision of Lots Twenty-nine (29) and Thirty-two (32) of Garth's Subdivision of Lots Forty-nine (49) to Seventy-two (72), both inclusive, of Garth's Addition to the City of Columbia, Boone County, Missouri, as shown by the plat thereof recorded in Plat Book 1, Page 21, Records of Boone County, Missouri, and further shown on the survey for Columbia Housing Authority and the City of Columbia of Lots Two (2) through Nine (9) of John A. Stewart's Subdivision recorded in Book 4074, Page 164, Records of Boone County, Missouri.

Ownership

1. CHDO has inspected the site and is familiar with the condition of the land.

2. CHDO agrees to own the land as legally described during the development process. The Agency and the CHDO agree that upon completion of development of a single family residential home, defined as receiving a Certificate of Occupancy through the City of Columbia, Community Development Department, Division of Building and Site Development, the land as legally described within this document shall be donated to the Agency.

3. The CHDO shall maintain ownership of only the improvements and be solely responsible for selling only the improvements to a qualified buyer. Sale of the home shall be in accordance with U.S. Department of Housing and Urban Development (HUD) eligible activities as defined by HOME regulations at 24 CFR Part 92.206

4. The improvements shall be sold subject to the Agency's Ground Lease (Exhibit B) and Homebuyer Selection Policy (Exhibit C). The Agency shall have the final responsibility and authority in determining buyer eligibility according to its Homebuyer Selection policy.

5. The sale by CHDO is subject to all requirements, conditions, limitations, and restrictions established by the Trust for sale of property. That CHDO acknowledges that those requirements, conditions, limitations and restrictions may limit the marketability and limit the pool of prospective buyers. CHDO acknowledges it is familiar with all such requirements, conditions, limitations, and restrictions and accepts and agrees to abide by same.

6. Should the CHDO not sell the home within 9 months from the date of receiving a Certificate of Occupancy from the City of Columbia Division of Building and Site Development, the CHDO shall be required to market the home as a rental property to a HOME eligible household at 60% or below the HUD defined area median income level. Rental occupant income verification shall be completed according to HUD's Part 5 definition of income and with source documentation in accordance with 24 CFR 92.203(a)(1)(i). In the event the home is offered as rental property under this section CHDO shall continue to market the property for sale upon completion of any rental term.

Safety

7. CHDO agrees that the safety of workers engaged in the work under this agreement is solely its responsibility. CHDO specifically agrees to take appropriate precautions to ensure the safety of all persons, including, but not limited to, its own employees and other contractors and CHDOs and their employees, whose safety might otherwise by jeopardized by any risk of harm relating to or arising out of the work.

8. CHDO must comply with all applicable safety federal, state and local laws, rules, regulations, statutes, ordinances and directives ("laws") that are in force or that may come into force during the work as they relate to CHDO's operations, materials and personnel.

9. CHDO will apply to obtain all necessary permits and conform strictly to laws and ordinances in force in the locality where its work must be performed.

10. At all times, CHDO will provide sufficient, safe and proper facilities to allow Agency, or an authorized representative, to inspect CHDO's work and performance. Upon request, CHDO will also produce all the documents necessary to evaluate the quality of the materials used in its work.

11. CHDO must submit copies of all accidents or injury reports to Agency, or an authorized representative as soon as practicable or prescribed by law.

Indemnity

12. The work performed by CHDO shall be at its exclusive risk. To the fullest extent permitted by law, CHDO will defend, indemnify and hold harmless all indemnified parties from any and all claims for bodily injury and property damage (other than damage to the work itself), which arise or are in any way connected with the work performed, materials furnished or services provided by CHDO, CHDO's subcontractors or anyone employed directly or indirectly by any of them under this agreement.

    Indemnified parties include the, Agency representatives, designees, officers, directors, employees, agents, successors and their assigns.

    Claims include any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and consultants' fees).

13. CHDO is not obligated to indemnify and defend Agency for claims due to the sole negligence or willful misconduct of indemnified parties. Any obligations assumed pursuant to this agreement will not be construed to negate, abridge or reduce other statutory or common law rights or

obligations of indemnity, which otherwise exist as to a party or person described in this agreement.

14. CHDO's indemnification and defense obligations under this contract extend to claims made after this agreement is terminated as well as while it is in force and continue until such claims are finally adjudicated or until such time that any and all actions against the indemnified parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws.

15. CHDO shall, within sixty (60) days of filing, cause the discharge of record of any mechanics' lien filed against the Premises by payment, deposit, bond or court order. CHDO shall indemnify and hold Agency harmless from any liability arising from the imposition of any mechanics' lien or other lien on the Premises.

Insurance

16. Prior to the beginning of the work, CHDO must provide to Agency certificates of insurance showing that CHDO has coverage for itself and its employees, agents and CHDOs as set forth in the insurance requirements section. The certificate of insurance shall provide that the insurer will give the Agency 30 days' prior written notice or cancellation and termination of the CHDOs coverage thereunder. If any of these policies is terminated, CHDO must provide to Agency certificates of insurance showing replacement coverage with an effective date no later than the day coverage under the policy being replaced is cancelled or terminate.

17. All coverage must be placed with insurance companies duly admitted in the state of Missouri and must be approved by the Agency.

18. All CHDO insurance carriers must maintain an A.M. Best rating of "A-" or better.

    CHDO's general liability policy must name Agency representatives, designees, officers, directors, employees, agents, successors and their assigns as an additional insured (This should be on a standard ISO form or equivalent General Liability form with no modifications limiting coverage.) Coverage must include coverage for completed operations. Additional insured coverage must apply as primary and non-contributory with respect to any other insurance afforded to the Agency and Contractor.

19. Each insurer must give to Agency written notice of cancellation and termination of Contractor's coverage at least 30 days before the effective date of such cancellation or termination. This shall be verified in writing on the certificate of insurance.

20. At least two weeks prior to the expiration, cancellation or termination of any insurance policy required by this agreement, CHDO must provide Agency with a new and replacement certificates of insurance and additional insured endorsements.

21. CHDO must provide Agency with a waiver of subrogation from each of CHDO's insurers on commercial general liability in favor of Agency with respect to losses arising out of or in connection with the work.

22. The insurance coverage required must be of sufficient type, scope and duration to ensure Agency is covered for the liability related to any manifestation date within the applicable statutes of limitation and/or response to any work performed by or on behalf of Agency in relation to the project. CHDO agrees to maintain the above insurance for the benefit of Contractor for a period of three (3) years or the expiration of any statute of limitation as may be applicable, whichever is later.

23. CHDO must secure a workers' compensation insurance policy. The workers' compensation policy must cover all of CHDO's work and performance and provide coverage for all employees, executive officers, sole proprietors, partners and members of a limited liability company, in the amounts required by all applicable laws and must include employers liability coverage to cover the damages that become due in case of bodily injury, occupational sickness or disease or death of

CHDOs employees. This policy must be written with limits of ($500,000) for each accident, ($500,000) for each disease and ($500,000) per disease, per each employee

24. CHDO shall require its design professional(s) to maintain professional liability insurance coverage with a company acceptable to the Agency with limits no less than $1,000,000 per claim and $1,000,000 general aggregate. Such insurance shall have a maximum deductible of $25,000 per claim.

25. CHDO must secure a commercial general liability insurance policy to cover the damages that become due in case of bodily injury, property damage and personal or advertising injury arising out of or related to:

    - All CHDO's operations and premises;
    - All CHDO's products and completed operations;
    - All liability or responsibility assumed by the CHDO in the Indemnity section of this agreement;
    - All liability assumed in a business contract;
    - Agency as an additional insured; and
    - Defense expenses paid in addition to the policy limits.

    In addition, CHDO must provide Contractor proof of insurance with a Certificate of Insurance and Additional Insured Endorsement on ISO form CG 2010 and CG 2037 (or substitute forms providing equivalent coverage). CHDO is responsible for maintaining this insurance policy.

    The coverage available to Agency, as additional insured, in the types of insurance policies mentioned above must be at least:

    - $1,000,000 for each occurrence;
    - $2,000,000 for general aggregate
    - $2,000,000 for products/completed operations aggregate; and
    - $1,000,000 for personal and advertising injury limits.

26. CHDO must secure an umbrella liability insurance policy with limits of at least $1,000,000 to cover the damages that become due in case of bodily injury, property damage and personal and advertising injury with, at least, the same terms and conditions as the policies mentioned above. Certificate of insurance must indicate the umbrella policy is follow form for additional insured and waiver of subrogation.

27. CHDO must secure an automobile liability insurance policy to cover the damages that become due in case of bodily injury, death of a person or property damage arising out of Agencyship, maintenance or use of any motor vehicle or trailer owned, hired, leased, used on behalf of or borrowed by CHDO. The policy must also include coverage for any equipment subject to motor vehicle laws. Business auto liability insurance must be written in the amount of not less than $1,000,000 for each accident. CHDO's automobile liability policy must name Agency as an additional insured.

Agency Responsibilities

Agency, in consideration of the provisions contained in this agreement, agrees with CHDO as follows:

28. Agency will provide homebuyer orientation and education to prospective homebuyers regarding its ground lease.

29. Agency will determine buyer eligibility according to its Homebuyer Selection Policy.

Additional provisions:

30. The time requirements of this contract may be extended by agreement of the parties in the event that CHDO is delayed by acts of the Agency's required alterations or damage occurring from fire or other casualty.
31. No verbal order, objection, claim or notice of either party to the other will be of effect or binding and no evidence of such order, objection, claim or notice will be admissible in any lawsuit. Both parties, Agency and CHDO, agree to execute and deliver in writing all communications that affect and bind the other. Any verbal communication between the parties will be considered as immaterial and nonbinding.
32. No provision of this contract can be waived or interpreted by reason or any other act. A waiver from this contract or any of its provisions is valid only if it is an express waiver, definitely agreed to and entered into by the parties in writing.
33. Upon signing by all parties, this document shall be recorded by the Boone County, Missouri Recorder of Deeds.
34. Agency will receive $1,000 from the sales proceeds at closing. All remaining proceeds shall be retained by the CHDO.
35. CHDO shall be responsible for covering all closing and Realtor costs associated with selling the home to a qualified buyer.
36. The term of this agreement shall expire upon closing to a program eligible homeowner.

Project Information

Project # and /or Address:

_____

_____

_____

Signatures

This agreement is entered into by the parties listed below, effective as of the date specified above.

Columbia Community Land Trust
500 E. Walnut, Suite 108
Columbia, MO 65201

Print Name: _____

Signature: _____

Date: 8-22-17

Show Me Central Habitat for Humanity
1906 Monroe Street
Columbia, MO 65201

Print Name: Bill View

Signature: _____

Date: 8/22/17

Exhibit A

Show-Me Central Habitat for Humanity®

1906 Monroe Street
Columbia MO 65201-6359
Office (573) 499-1202
Fax (573) 875-2848
Email: billviewhabitat@yahoo.com

Board of Directors

John Keller
President
Ken Caspall
VP
David Butcher
2nd VP
Tim Tallis
Treasurer
Dixie Fisher
Secretary

Steve Baumgartner
Eddie Berendzen
Steve Gaddy
Jennifer James
Thomas Leuther
Steve Povinelli
Mark Workman

Executive Director
Bill View

CHDO Board

Ken Caspal
President
John Keller
VP
Bill View
Sec./Treasurer
Clorinda Hayes
Member
Vivian Morgan
Member

October 15, 2016

CHDO Certification Information

H. Staff Capacity; Bill View, Director has worked with the construction process for eleven years. In that time we have built over eighty homes.
I. Housing Success; Show-Me Central Habitat for Humanity has built 144 homes since 1988. Currently we are working on a 32 home sub-division on Old Plank Road. All our homes are funded prior to the start of construction.

(Files A-G. and J. Included in Folder)

Organizational Information and Capacity

a. History – Show-Me Central Habitat for Humanity is a non profit organization with a mission to build low income housing in Columbia. Our affiliate opened in 1988 and have been building homes ever since. To date we have sold 144 homes and currently process 109 with zero interest and no profit active mortgages. We operate a ReStore (thrift store) to supplement funding or our organization.
b. and c. Bill View our director will lead the project. Curt Simmons our construction volunteer for the Daycrew has six years building experience and 25 years of experience in management at 3M. Steve Heying, our surveyor has worked in that capacity his entire career, and Merritt Beck our attorney has completed all our home mortgages.

d. No individuals involved in this project have been debarred by and federal agency or from a HUD project.

e. We do not have a financial statement from a third party as we have enough funds to begin and complete this project. We are including a financial statement from the Bank of Missouri.

Project Information
The time frame is attached.
The form x is attached
Show-Me Central Habitat for Humanity will not take a developer fee

Plans and Drawings

Attached

Timeline

Our affiliate has always maintained a steady course. CHDO requirements have changed and require timely completion of all future projects awarded by the City of Columbia.

Our understanding is that Habitat will have one year to complete the project. Our past performance has demonstrated that is possible.

1. Project awarded in January of 2017
2. Construction will begin April 2017 on ground work and plumbing
3. May – Framing of homes
4. May – Roofing of homes
5. June – Siding of the homes
6. July – Wiring and inside plumbing and HVAC
7. August – Sheet Rock of homes
8. September – Painting home and seed lawn
9. October – Cabinets and trim
10. Sell home

Sources and Uses of Funds - Lynn Street- Form X

Development Sources of Funds

Total Sources			% of Dev. Costs
CHDO	$	22,500.00	21%
	$	-	
	$	-	0%
Habitat Building Fund	$	86,938.55	79%
Other	$	-	
Other	$	-	
Other	$	-	
Total	**$**	**109,438.55**	100%

Development Uses of Funds

Acquisition & General Requirements		
Lot/Land (Value only - City Provided	$	-
Permits - Value Only - City Provided	$	-
Labor *	$	50,000.00
Surveys/Appraisals *	$	600.00
Temporary Facilities/Utilities $40/month	$	360.00
Equipment Rental -	$	500.00
Insurance	$	500.00
Plans/Architect *	$	-
Dev. Fees Program Operations	$	-
Construction Dumpster/nine month est.	$	465.75
Realtor Fees	$	6,500.00
Advertising & Sales	$	-
Legal Fees and Title Insurance	$	400.00
Maint/ Clean-up	$	200.00
Total Acq/General Requirements	**$**	**59,525.75**
Sitework		
Site Preparation * City Provided	$	500.00
Earthwork/Excavation*	$	262.00
Sewer includes rough in	$	2,800.00
Utilities Installation	$	400.00
Landscaping	$	400.00
Total Sitework	**$**	**4,362.00**
Concrete		
Rebar	$	130.00
Rock	$	1,739.00
Footings/Foundations	$	3,654.00
Driveway	$	3,342.00
Total Concrete	**$**	**8,865.00**
Wood		
Rough Carpentry	$	800.00
Trusses/Pre-Fabs	$	1,995.00
Finish Carpentry	$	400.00
Total Wood	**$**	**3,195.00**

Thermal & Moisture Protection		
Insulation	$	3,000.00
Shingles/Roofing	$	1,649.00
Gutters	$	450.00
Siding/Soffit/Fascia	$	4,000.00
Dumpster Fee Roofing	$	300.00
Total Thermal/Moisture Protection	**$**	**9,399.00**
Doors and Windows		
Exterior Entrance Doors	$	345.00
Interior Pre-Hung Doors ten each x $77	$	770.00
Patio Doors	$	-
Garage Door(s)	$	700.00
Windows seven each at $237	$	1,659.00
Hardware *	$	457.80
Total Doors and Windows	**$**	**3,931.80**
Finishes		
Drywall	$	2,800.00
Flooring	$	3,500.00
Carpet	$	-
Painting Interior * 23 gallons/$22/gal	$	200.00
Total Finishes	**$**	**6,500.00**
Equipment		
Appliance kitchen	$	1,600.00
Total Equipment	**$**	**1,600.00**
Furnishings		
Cabinets	$	1,500.00
Mirrors *	$	360.00
Total Furnishings	**$**	**1,860.00**
Mechanical		
Plumbing	$	2,600.00
HVAC Gound Source	$	7,000.00
	$	-
Total Mechanical	**$**	**9,600.00**
Electrical		
Service & Distribution	$	-
Lighting/Solar sun tube/50 % LED	$	-
Communications	$	200.00
Electric	$	400.00
Total Electrical	**$**	**600.00**
	$	-
	$	-
	$	-
Developer Fee	$	-
Grand Total	$	109,438.55

4'X4' CONC PATIO Optional

PREFERRED ORIENTATION

DUE TO LOCAL CODES, REGULATIONS AND BUILDING PRACTICES AND / OR BECAUSE OF SITE CONDITIONS, DRAWINGS CANNOT BE SUITABLE OR LEGAL FOR USE IN ALL LOCALITIES. CONSEQUENTLY, THESE DRAWINGS ARE NOT TO BE USED AS A GUIDE FOR CONSTRUCTION UNLESS THE BUILDER HAS CONFIRMED THEIR SUITABILITY OR LEGAL WITH ALL LOCAL REQUIREMENTS. ADDITIONALLY, HABITAT FOR HUMANITY IS UNABLE TO ACCEPT ANY LIABILITY FOR THE ACCURACY OF OVERALL CONFORMITY OF THESE DRAWINGS TO ANY SPECIFIC SITE. BUILDERS MUST CAREFULLY INSPECT ALL DIMENSIONS AND DETAILS IN THESE DRAWINGS AND ASSUME RESPONSIBILITY FOR THE SAME.

DETACHED FOUR BEDROOM

ONE STORY - TWO BATH HOUSE PLAN
1189 SQUARE FEET

SHOW-ME CENTRAL HABITAT FOR HUMANITY
1906 MONROE STREET
COLUMBIA, MO 65201
P 573.499.1202
F 573.875.7848

A1

FLOOR PLAN
SCALE 1/4" = 1'-0"

NOTE: ALL DIMENSIONS ARE TO FACE OF STUD UNLESS OTHERWISE NOTED

THE BANK OF MISSOURI
www.bankofmissouri.com
1-888-547-6541

**********AUTO**3-DIGIT 652
6224 0.4350 AT 0.399 17 1 40
SHOW ME CENTRAL HABITAT FOR HUMANITY
1906 MONROE ST
COLUMBIA MO 65201-6359

---- S A V I N G S A C C O U N T S -----

THIS FALL, YOUR STATEMENT AND THE ENVELOPE IT IS MAILED IN, WILL TAKE ON A NEW LOOK. REST ASSURED THAT THE FORMAT OF HOW YOUR ACCOUNT INFORMATION IS DISPLAYED WILL NOT CHANGE. IF YOU WANT TO RECEIVE YOUR STATEMENTS ELECTRONICALLY, YOU CAN SIGN UP THROUGH YOUR ONLINE BANKING. CLICK ON THE E-DOCUMENTS TAB AND FOLLOW THE PROMPTS.

BUSINESS HIGH PERFORMANCE SAV

Account Number	Acct Ending 9236	Statement Dates	6/29/16 thru 9/28/16
Previous Balance	201,399.81	Days in the statement period	92
Deposits/Credits	.00	Average Ledger	201,399.81
Checks/Debits	.00	Average Collected	201,399.81
Service Charge	.00	Interest Earned	152.29
Interest Paid	.00	Annual Percentage Yield Earned	0.30%
Ending Balance	201,399.81	2016 Interest Paid	299.18

****

8/15 0.300000%

EQUAL HOUSING LENDER

SHOULD FURTHER INFORMATION BE HELPFUL PLEASE REFER TO YOUR ACCOUNT NUMBER WHEN MAKING INQUIRY.
PLEASE EXAMINE AND REPORT ANY DIFFERENCES WITHOUT DELAY. PLEASE ADVISE ANY ADDRESS CHANGE.

Member FDIC

No. N00037586

STATE OF MISSOURI

ROY D. BLUNT, Secretary of State

CORPORATION DIVISION

CERTIFICATE OF INCORPORATION

A GENERAL NOT FOR PROFIT

WHEREAS, duplicate originals of Articles of Incorporation of

SHOW-ME CENTRAL/HABITAT FOR HUMANITY

have been received and filed in the office of the Secretary of State, which Articles, in all respects, comply with the requirements of The General Not for Profit Corporation Law; NOW, THEREFORE, I, ROY D. BLUNT, Secretary of State of the State of Missouri, by virtue of the authority vested in me by law, do hereby certify and declare this entity a body corporate, duly organized this date and that it is entitled to all rights and privileges granted corporations organized under The General Not for Profit Corporation Law.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 20th day of NOVEMBER, 19 87.

Roy D. Blunt

Secretary of State

SOS #30

$10.00

State of Missouri . . . Office of Secretary of State

ROY D. BLUNT, Secretary of State
CORPORATION DIVISION

Articles of Incorporation
of a
General Not For Profit Corporation

Filing Fee $10.00

FILED AND CERTIFICATE OF INCORPORATION ISSUED

NOV 20 1987

Roy D. Blunt

HONORABLE ROY D. BLUNT
SECRETARY OF STATE
STATE OF MISSOURI
P.O. BOX 778
JEFFERSON CITY, MO 65102

We the undersigned,

(Not less than three)

Type or Print Name	Number	Street	City	State	Zip
Lee E. Norbury	2004	Parkade	Columbia	Missouri	65202
Vernie Blank	3209	Crawford	Columbia	Missouri	65203
John W. McClure	1704	Ridgemont	Columbia	Missouri	65203

being natural persons of the age of eighteen years or more and citizens of the United States, for the purpose of forming a corporation under the "General Not For Profit Corporation Law" of the State of Missouri, do hereby adopt the following Articles of Incorporation:

1. The name of the corporation is: Show-Me Central/Habitat for Humanity

2. The period of duration of the corporation is: Perpetual
(Please state "perpetual" or a definite number of years)

3. The address of its initial Registered Office in the State of Missouri is: 2004 Parkade Blvd
Columbia (City) 65202 (Zip) and the name of its initial Registered Agent at said Address is: Lee E. Norbury

4. The first Board of Directors shall be three (At least three required) in number, their names and addresses being as follows:

Type or Print Name	Number	Street	City	State	Zip
Lee E. Norbury	2004	Parkade	Columbia	Missouri	65202
Vernie Blank	3209	Crawford	Columbia	Missouri	65203
John W. McClure	1704	Ridgemont	Columbia	Missouri	65203

5. The purpose or purposes for which the corporation is organized are:
   a. To provide the opportunity for eligible low-income families to acquire suitable home ownership;
   b. To work with other agencies and groups which have a kindred purpose; and
   c. All other legal powers permitted General Not for Profit Corporations.

rp 52 (1-85)

(OVER)

970114

Form **941 for 2016: Employer's QUARTERLY Federal Tax Return**
(Rev. January 2016) Department of the Treasury -- Internal Revenue Service

OMB No. 1545-0029

Employer identification number (EIN) 431463222

Name (not your trade name) SHOW-ME CENTRAL HABITAT FOR HUMANITY

Trade name (if any)

Address 1906 MONROE STREET

COLUMBIA MO 65201-6359

Report for this Quarter of 2016
(Check one.)

- ☐ **1:** January, February, March
- ☒ **2:** April, May, June
- ☐ **3:** July, August, September
- ☐ **4:** October, November, December

Instructions and prior year forms are available at www.irs.gov/form941.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Habitat for Humanity®

Help build it!

September 29, 2015

Show Me Central HFH
1906 Monroe St
Columbia, MO 65201-6359

RE: 501(c)(3) Letter for Show Me Central HFH, Partner ID# 0290-4557

Dear Affiliate Leader:

This letter will confirm that Show Me Central HFH, with employer identification number 43-1463222, is considered a subordinate under the group tax exemption umbrella of Habitat for Humanity International, Inc. ("HFHI") under Section 501(c)(3) of the Internal Revenue Code.

The group exemption number assigned to HFHI by the IRS is 8545. This number may be provided to prospective donors, foundations and other grant organizations as they request it and is required on certain IRS forms.

Enclosed is a copy of the determination letter dated March 9, 2015, provided by the IRS as evidence of HFHI's tax exempt status as well as its group exemption. The determination letter, together with this letter, confirms Show Me Central HFH's subordinate status and provides evidence of its tax exempt status under Section 501(c)(3) of the Code.

In partnership,

Beverly Huffman
Director, US/Canadian Support Services Center
Habitat for Humanity International 877-434-4435
USSupportCenter@habitat.org · habitat.org | **Habitat. We build.**

Enclosure

IRS Department of the Treasury
Internal Revenue Service

OGDEN UT 84201-0029

In reply refer to: 4077550277
Mar. 09, 2015 LTR 4167C 0
91-1914868 000000 00
00040704
BODC: TE

HABITAT FOR HUMANITY INTERNATIONAL
INC
HABITAT FOR HUMANITY INTRNL PARENT
% EDWARD K QUIBELL - CFO/SR VP
121 HABITAT ST
AMERICUS GA 31709-3423

052913

Employer Identification Number: 91-1914868
Group Exemption Number: 8545
Person to Contact: Ms Benjamin
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 20, 2015, request for information about your tax-exempt status.

Our records indicate that you were issued a determination letter in January 1987, and that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Based on the information supplied, we recognized the subordinates named on the list you submitted as exempt from Federal income tax under section 501(c)(3) of the Code.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106 and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Tamera Ripperda
Director, Exempt Organizations

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WAS $52,715
NOW $45,698
$7,017 IN SAVINGS
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See dealer for complete details. Offer ends 7-31-16

Show-Me Central Habitat for Humanity®

1906 Monroe Street
Columbia MO 65201-6359
Office (573) 499-1202
Fax (573) 875-2848
Email: billviewhabitat@yahoo.com

Board of Directors

John Keller
President
Ken Caspall
VP
David Butcher
2nd VP
Tim Tallis
Treasurer
Dixie Fisher
Secretary

Steve Baumgartner
Eddie Berendzen
Steve Gaddy
Jennifer James
Thomas Leuther
Steve Povinelli
Mark Workman

Executive Director
Bill View

CHDO Board

Ken Caspal
President
John Keller
VP
Bill View
Sec./Treasurer
Clorinda Hayes
Member
Vivian Morgan
Member

CHDO Board Members 10/16

Ken Caspall, President
114 Dene Drive
65201

Bill View, VP / Sec.
12600 Hwy YY
Harrisburg, Mo. 65201

John Keller Treasurer
3610 Buttonwood Drive
Columbia, Mo. 65203

Vivian Morgan, Member
Habitat Home Owner – Low Income Representative
9 Mohawk Ave.
65202

Clorinda Hayes, Member
Habitat Home Owner – Low Income Representative
203 Lynn
65203

Committee Chairs**: Building: **Eddie Berendzen;** Church Relation: **Steve Gadduy;** Family Relations: **Elsie Heller;
Family Selection: Todd Weyler;** Finance: **John Keller;** Fund Raising; Public Relations: **Laura Gerding;
*ReStore: **Vacant;** Site Selection: **Ken Caspall**; Volunteer Coordinator: **Marsha Taylor***

JASON KANDER
MISSOURI SECRETARY OF STATE

MISSOURI ONLINE BUSINESS FILING

Online Help

Nonprofit Corporation Details as of 10/6/2016

- Business Entity Fees & Forms
- Business Entity FAQ
- Business Entity Home Page
- Business Entity Online Filing
- Business Outreach Office
- Business Entity Contact Us
- UCC Online Filing
- Secretary of State Home Page

Required Field

File Documents - select the filing from the "Filing Type" drop-down list, then click FILE ONLINE.

File Registration Reports - click FILE REGISTRATION REPORT.

Copies or Certificates - click FILE COPIES/CERTIFICATES.

RETURN TO SEARCH RESULTS

ORDER COPIES/ CERTIFICATES

Select filing from the list.

Filing Type: Amended and Restated Articles of Incorporatio

FILE ONLINE

General Information | Filings | Address | Contact(s)

Name **SHOW-ME CENTRAL/HABITAT FOR HUMANITY**

Type **Nonprofit Corporation**

Domesticity **Domestic**

Registered Agent **View, Bill E.**
1906 Monroe
Columbia, MO 65201

Address **1906 Monroe Street**
Columbia, MO 65201

Charter No. **N00037586**

Status **Good Standing**

Date Formed **11/20/1987**

Duration **Perpetual**

Report Due **8/31/2017**

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State of Missouri

LIMITED EXEMPTION
FROM MISSOURI SALES AND USE TAX ON PURCHASES AND SALES
(Charitable)

Issued to:

Missouri Tax I.D.: 13353951

SHOW ME CENTRAL HABITAT FOR HUMANITY
1906 MONROE ST
COLUMBIA MO 65201

Effective Date: 12/01/2014

Your application for sales/use tax exempt status has been approved pursuant to Section 144.030.2(20), RSMo. This letter is issued as documentation of your organization's exempt status. Your organization must adhere to all requirements of your exempt status.

This is a continuing exemption subject to legislative changes and review by the Director of Revenue. Outlined below are specific requirements regarding this exemption. This summary is not intended as a complete restatement of the law. You should review the law to ensure your understanding and compliance.

- This exemption is not assignable or transferable. It is an exemption from sales and use taxes only and is not an exemption from real or personal property tax.
- Purchases by your organization are not subject to sales or use tax if conducted within your organization's exempt charitable, religious and educational functions and activities. When purchasing with this exemption, furnish all sellers or vendors a copy of this letter.
- Individuals making personal purchases may not use this exemption.
- A contractor may purchase and pay for construction materials exempt from sales tax when fulfilling a contract with your organization only if your organization issues a project exemption certificate and the contractor makes purchases in compliance with the provisions of Section 144.062, RSMo.
- Sales by your organization are not subject to sales or use tax if conducted within your organization's exempt charitable, religious and educational functions and activities.
- Sales not directly related to your exempt function that are made only to raise funds for your organization, are not exempt unless such sales are occasional or isolated.
- If your organization engages in a competitive commercial business that serves the general public, even if the profits are used for your exempt charitable, religious and educational functions, you must obtain a Missouri Retail Sales Tax License and collect and remit state and local sales tax.
- Any alteration to this exemption letter renders it invalid.

If you have any questions regarding the use of this letter, please contact the Taxation Division, P.O. Box 358, Jefferson City, Missouri 65105-0358, Email salestaxexemptions@dor.mo.gov, or call 573-751-2836.

(DT68D0)

BYLAWS

OF

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION

established 12/17/02

Revised 9/15

ARTICLE I
PURPOSE

The Community Housing Development Organization Board of Directors (hereinafter referred to as the "CHDO Board"), is an independent, freestanding organization created for the sole purpose of obtaining and spending Community Housing Development Organization funds consistent with all applicable rules and regulations pertaining thereto. This Board of Directors shall be known as "The Community Housing Development Organization Board of Directors".

ARTICLE II
BOUNDARIES

GEOGRAPHIC BOUNDARIES: The geographic boundaries for use of CHDO funds shall include all land within the city limits of the City of Columbia, Missouri.

ARTICLE III
MEMBERSHIP

A. ONE-THIRD LOW INCOME MEMBERSHIP REQUIREMENT: At all times during its existence, the CHDO Board shall maintain at least one-third of its membership for residents of low income neighborhoods, other low income community residences, or elected representatives of low income neighborhood organizations. In addition, no more than 1/3 of the governing board shall be public officials, including employees of the participating jurisdiction. This requirement will be permanent and not subject to change. No decision or function of the CHDO Board will be valid unless this requirement is complied with.

B. NUMBER AND APPOINTMENT OF CHDO BOARD: The CHDO Board shall have at least three members but no more than six members. The members shall be appointed annually and at other times to fill vacancies by the President of Show-Me Central Habitat for Humanity (hereinafter referred to as "Habitat"). Members will continue to serve until a replacement is appointed or the member resigns. CHDO Board members may be removed by the President of Habitat for cause shown. No CHDO Board member shall receive, directly or indirectly, any salary or compensation.

ARTICLE IV
ADMINISTRATION

A. ELECTION OF OFFICERS: The CHDO Board shall elect its own officers annually. The officers shall all be members of the CHDO Board. Those officers shall be a President, a Vice President, and a Secretary/Treasurer. Duties of these officers shall be set by the CHDO Board. No CHDO officers shall receive, directly or indirectly, any salary or compensation.

B. MEETINGS: The CHDO Board shall set meeting times as needed. At least a majority of the CHDO members are needed for a quorum. The vote of a majority of CHDO Board members, present at a meeting where a quorum is present, shall be necessary for the CHDO Board to decide any action or question.

C. SIGNATORY AUTHORITY FOR DOCUMENTS AND CHECKS: The CHDO Board shall give signatory authority to three officers of the CHFO Board. Two signatures of the officers will be required on all checks.

D. AUDITS: These funds shall be audited annually by a Certified Public Accountant. This audit shall conform to the financial accountability standards of Attachment F of OMB Circular A-110, "STANDARDS FOR FINANCIAL MANAGEMENT SYSTEMS."

E. REPORTING OF ACTIONS: All actions and decisions of the CHDO Board will be reported to the Habitat Board of Directors in writing at the Habitat Board of Directors meeting following each action or decision.

ARTICLE V
DUTIES AND POWERS

A. DUTIES AND POWERS: The CHDO Board shall have the sole, exclusive and complete power and authority to apply for, receive and spend CHDO funds, including spending

funds to purchase land to be titled in the name of Habitat and make all decisions and perform all acts reasonable and necessary to apply for, receive and spend said CHDO funds. The CHDO Board shall be the sole and exclusive entity to make all decisions regarding the receipt and expenditure of any and all CHDO funds it receives. All such decisions, directly and indirectly relating to said CHDO funds, shall be made by the CHDO Board and the CHDO Board only and not by the Habitat Board of Directors, any committees of Habitat, nor anyone else. All decisions of this CHDO Board will be final, binding and absolute. The CHDO Board shall establish an open forum for low-income persons, to be held annually, to provide advice from Program beneficiaries regarding design, site development, and management of affordable housing projects. The CHDO Board shall annually review the housing needs of low-income people in the City of Columbia as set forth in the City's Consolidated Plan and formulate a priority of housing needs there from.

ARTICLE VI
COMPLIANCE

A. The CHDO Board will comply with all applicable rules and regulations. The CHDO Board in exercising its sole authority over CHDO funds will in all respects obey and comply with all applicable rules and regulations regarding CHDO funds. This includes, but is not limited to, all federal, state and local laws, statutes, rules, regulations, administrative orders or directives of any type or nature pertaining to said funds.

B. The CHDO Board will comply with all regulations established by Habitat for Humanity International.

ARTICLE VII
BYLAW AMENDMENTS

The bylaws of the CHDO Board may be altered, amended or repealed when approved by a two-thirds vote of the entire CHDO Board. No bylaws shall be adopted that are inconsistent with the laws of Missouri or the United States of America, including the provisions of Section 501(c)3 of the Internal Revenue Code as amended. No bylaws shall be adopted that are inconsistent with Article IX of the Bylaws of Habitat concerning the CHDO Board. The CHDO Board shall amend its bylaws when needed to be consistent with the amendments to Article IX of the Habitat Bylaws.

I certify the above Bylaws were adopted by the CHDO Board at a called meeting on October ??, 2015.

_____

Secretary of CHDO Board

COLUMBIA COMMUNITY LAND TRUST

GROUND LEASE

TABLE OF CONTENTS

RECITALS

DEFINITIONS

ARTICLE 1: Homeowner's Letter of Agreement and Attorney's Letter of Acknowledgment are Attached as Exhibits.

ARTICLE 2: Leasing of Rights to the Land

2.1 CLT LEASES THE LAND TO HOMEOWNER:

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS

3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBILY AND IN COMPLIANCE WITH THE LAW

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST 10 MONTHS EACH YEAR

4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT'S PERMISSION

4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE

5.2 WHEN THE LEASE FEE IS TO BE PAID

5.3 HOW THE AMOUNT OF THE LAND USE FEE HAS BEEN DETERMINED

5.4 CLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY

5.5 FEES MAY BE INCREASED FROM TIME TO TIME

5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED

5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED

5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS

6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS
7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME
7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS
7.6 REPAIR RESERVE FUNDS IS ESTABLISHED TO SUPPORT FUTURE REPAIRS AND REPLACEMENTS
7.7 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT's PERMISSION
8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE
8.3 CLT PERMISSION IS REQUIRED FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES
8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE"
8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE
8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE
8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY
9.2 HOMEOWNER MUST DEFEND CLT AGAINST ALL CLAIMS OF LIABILITY
9.3 HOMEOWNER MUST REIMBURSE CLT
9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND
9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED
9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE
9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED
9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY
10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS
10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER
10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL
10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL
10.6 CLT HAS AN OPTION TO PURCHASE THE HOME
10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS
10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE
10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE
10.10 HOW THE FORMULA PRICE IS CALCULATED
10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE
10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE
10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER

ARTICLE 11: Reserved

ARTICLE 12: Default

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE REQUIRED PAYMENTS TO THE CLT

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE
12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS
12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION

ARTICLE 13: Mediation and Arbitration
13.1 MEDIATION AND ARBITRATION ARE PERMITTED
13.2 HOMEOWNER AND CLT SHALL SHARE COST OF ANY MEDIATION OR ARBITRATIION

ARTICLE 14: General Provisions
14.1 NOTICES
14.2 NO BROKERAGE
14.3 SEVERABILITY AND DURATION OF LEASE
14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION
14.5 WAIVER
14.6 CLT'S RIGHT TO PROSECUTE OR DEFEND
14.7 CONSTRUCTION
14.8 HEADINGS AND TABLE OF CONTENTS
14.9 PARTIES BOUND
14.10 GOVERNING LAW
14.11 RECORDING

Exhibits That Must Be Attached
Exhibit LETTER OF AGREEMENT
Exhibit LEASED LAND
Exhibit DEED
Exhibit PERMITTED MORTGAGES
Exhibit FIRST REFUSAL
Exhibit INITIAL APPRAISAL
Exhibit ZONING

Other Exhibits to be Attached, as Appropriate
Exhibit RESTRICTIONS

THIS LEASE ("this Lease" or "the Lease") entered into this _____ day of _____, 20____, between Columbia Community Land Trust (hereinafter "CLT" or "the CLT") and _____("Homeowner").

RECITALS

A. The CLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low- and moderate-income people who would otherwise be unable to afford homeownership.

B. A goal of the CLT is to preserve affordable homeownership opportunities through the long-term leasing of land under owner-occupied homes.

C. The Leased Land described in this Lease has been acquired and is being leased by the CLT in furtherance of this goal.

D. The Homeowner shares the purposes of the CLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of the CLT.

E. Homeowner and CLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.

F. Homeowner and CLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, Homeowner and CLT agree on all of the terms and conditions of this Lease as set forth below.

DEFINITIONS: Homeowner and CLT agree on the following definitions of key terms used in this Lease.

Leased Land: the parcel of land, described in Exhibit: LEASED LAND, which is leased to the Homeowner.

Home: the residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner's expense.

Base Price: the total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

Purchase Option Price*:* the maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner's right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

Lease Fee*:* The monthly fee that the Homeowner pays to the CLT for the continuing use of the Leased Land and any additional amounts that the CLT charges to the Homeowner for reasons permitted by this Lease.

Permitted Mortgage: A mortgage or deed of trust on the Home and the Homeowner's right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with the CLT's Permission. The Homeowner may not mortgage the CLT's interest in the Leased Land, and may not grant any mortgage or deed of trust without CLT's Permission.

Event of Default: Any violation of the terms of the Lease unless it has been corrected ("cured") by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by CLT.

ARTICLE 1: Homeowner's Letter of Agreement and Attorney's Letter of Acknowledgment are Attached as Exhibits.

Attached as Exhibit HOMEOWNER'S LETTER OF AGREEMENT AND ATTORNEY'S LETTER OF ACKNOWLEDGMENT and made part of this Lease by reference are a Letter of Agreement from the Homeowner, describing the Homeowner's understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home) and a Letter of Acknowledgment from the Homeowner's attorney, describing the attorney's review of the Lease with the Homeowner.

ARTICLE 2: Leasing of Rights to the Land

2.1 CLT LEASES THE LAND TO HOMEOWNER: The CLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit LEASED LAND) in accordance with the terms of this Lease. CLT has furnished to Homeowner a copy of the most current title report, if any, obtained by CLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition "as is" as of the signing of this Lease.

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: CLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land's surface. Ownership of such minerals remains with the CLT, but the CLT shall not remove any such minerals from the Leased Land without the Homeowner's written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ___ day of _____, 20__, and ending on the _____ day of _____, 20____, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The CLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-year period, CLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph ("the Expiration Notice"). The Expiration Notice shall also describe any changes that CLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give CLT written notice stating the Homeowner's desire to renew ("the Renewal Notice"); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and CLT shall sign a memorandum stating that the option has been exercised. The memorandum shall comply with the requirements for

a notice of lease as stated in Section 14.12 below. The CLT shall record this memorandum in accordance with the requirements of law promptly after the beginning of the renewal period.

3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by CLT (whether voluntarily or involuntarily) to any other person or institution, this Lease shall not cease, but shall remain binding on the new land-owner as well as the Homeowner. If CLT agrees to transfer the Leased Land to any person or institution other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of this right shall be as stated in the attached Exhibit FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES: Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any activities related to residential use that were permitted by local zoning law when the Lease was signed, as indicated in the attached Exhibit ZONING.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBILY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS: Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner's permission and shall make all such people aware of the restrictions on use set forth in this Lease.

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST TEN MONTHS EACH YEAR: Homeowner shall occupy the Home for at least ten (10) months of each year of this Lease, unless otherwise agreed by CLT. Occupancy by Homeowner's child, spouse, domestic partner or other persons approved by CLT shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor CLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT'S PERMISSION: Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, sell or otherwise convey any of Homeowner's rights under this Lease, for any period of time, without the written permission of CLT. Homeowner agrees that CLT shall have the right to withhold such consent in order to further the purposes of this Lease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

a) Any sublease shall be subject to all of the terms of this Lease.
b) The rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged the Homeowner by the CLT, plus an amount approved by CLT to cover Homeowner's costs in owning the Home, including but not limited to the cost of taxes, insurance and mortgage interest.

4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND: The CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 48 hours before the planned inspection. No more than one (1) regular inspection may be carried out in a single year, except in the case of an emergency. In an emergency, the CLT may inspect any part of the Leased Land including the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If the CLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the CLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The CLT must notify the Homeowner at least 48 hours before carrying out such inspection.

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT: Homeowner has the right to quiet enjoyment of the Leased Land. The CLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in the amount of thirty dollars ($30.00) to be paid in return for the continuing right to possess, occupy and use the Leased Land, plus (b) a Repair Reserve Fee of $10 to be held by the CLT and used for the purpose of preserving the physical quality of the Home for the long term in accordance with Section 7.6 below.

5.2 WHEN THE LEASE FEE IS TO BE PAID (DUE DATE): The Lease Fee shall be payable to CLT on the first day of each month for as long as this Lease remains in effect, unless the Lease Fee is to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Mortgagee.

5.3 HOW THE AMOUNT OF THE LEASE FEE HAS BEEN DETERMINED: The amount of the Land Use Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount, plus the amount of the Repair Reserve Fee, for the Homeowner has been analyzed and, if necessary, the Land Use has been reduced to an amount considered to be affordable for Homeowner.

5.4 CLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY: CLT may reduce or suspend the total amount of the Lease Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by CLT.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The CLT may increase the amount of the Land Use Fee and/or the Repair Reserve Fee from time to time, but not more often than once every fifth (5^{th}) year. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in Area Median Income (AMI) for the City of Columbia Missouri.

5.6 LAND USE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Land Use Fee shall be increased to an amount calculated by CLT to equal the fair rental value of the Leased

Land for use not restricted by the suspended provisions, but initially an amount not exceeding five hundred dollars ($500). Such increase shall become effective upon CLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the CLT may, from time to time, further increase the amount of such Land Use Fee, provided that the amount of the Land Use Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once every year.

5.7 IF PAYMENT IS LATE, $5.00 PER DAY LATE FEE MAY BE CHARGED: If the CLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the CLT may, at its sole discretion, assess a late fee in the amount of five dollars ($5.00) for every day that the Lease Fee is delinquent until the total amount due is paid in full.

5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD: In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to CLT out of any proceeds from the sale that would otherwise be due to Homeowner. The CLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS: Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to the CLT's interest in the Leased Land).

6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER: In the event that the local taxing authority bills CLT for any portion of the taxes on the Home or Leased Land, CLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, CLT shall join in contesting such taxes. Homeowner shall pay all costs of such proceedings.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, CLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, CLT shall pay the amount collected to the taxing authority in a timely manner.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party shall furnish satisfactory evidence of the payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or

installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the CLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without CLT's prior written consent.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit: DEED.

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS: Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; (d) material or structural changes to the Home's footprint, square-footage, or height of the house shall not be increased and rooms reconfigured or interior walls modified and new structures shall not be built or installed on the Leased Land without the prior written consent of CLT.

For any construction requiring CLT's prior written consent, Homeowner shall submit a written request to the CLT. Such request shall include:

a) a written statement of the reasons for undertaking the construction;
b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
c) a list of the necessary materials, with quantities needed;
d) a statement of who will do the work;

If the CLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The CLT then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide CLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the CLT's title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home that remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify CLT of such failure. CLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by CLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS: Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. CLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 A REPAIR RESERVE FUND IS ESTABISHED TO SUPPORT FUTURE REPAIRS AND REPLACEMENTS: In an effort to ensure that the physical quality of the Home will be preserved for the long term, a stewardship fee shall be collected from Homeowner as a component of the Lease Fee, as provided in Section 5.1 above, and shall be held by the CLT in a Repair and Replacement Reserve Fund. A separate Repair and Replacement Reserve Fund shall be maintained by the CLT for each Home and shall remain with the Home, rather than with Homeowner, when the Home is sold. The Reserve Fund for a Home may be supplemented, at the discretion of the CLT, through an allocation of some portion of the Transfer Fee collected by the CLT upon the initial purchase and/or the resale of the Home as provided in Section 10.12 and/or from other resources.

The Repair and Replacement Reserve Fund shall be used, at the discretion of the CLT, to pay for major repairs or replacements that become necessary as a result of aging or obsolescence. The Fund shall not be used to pay for repairs or replacements that are needed as a result of neglect or misuse or that are desired by Homeowner only for aesthetic reasons.

The Homeowner may request release of funds from the reserve for use in accomplishing such repairs or replacements, and the CLT may grant such requests if it determines that the requested use is needed to preserve the quality of the Home, and that the need is not a result of Homeowner's neglect or misuse, and that the Reserve is sufficiently funded to cover the cost in question.

The Homeowner may also request release of funds from the Reserve to cover costs of repairs for which Homeowner is responsible at the time Homeowner sells the Home, in accordance with section 10.13 below. CLT, at its discretion, may agree to release funds from the Reserve for such purpose, but only if such repairs have become necessary as a result of aging or obsolescence, not as a result of neglect or misuse, and only if the Reserve is sufficiently funded to cover the costs in question.

7.7 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER: Upon the expiration or termination of this Lease, ownership of the Home shall revert to CLT. Upon thus assuming title to the Home, CLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows:

FIRST, CLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner;

SECOND, CLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home that may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney's fees incurred by the CLT.

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT's PERMISSION: The Homeowner may mortgage the Home only with the written permission of CLT. Any mortgage or deed of trust permitted in writing by the CLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee.

8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, CLT gives written permission for any mortgage or deed of trust signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 CLT MUST GET SPECIFIC PERMISSION FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform CLT, in writing, of the proposed terms and conditions of such mortgage loan at least 30 days prior to the expected closing of the loan. The information to be provided to the CLT must include:

a) the name of the proposed lender;
b) Homeowner's reason for requesting the loan;
c) the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
d) expected closing costs;
e) the rate of interest;
f) the repayment schedule;
g) a copy of the appraisal commissioned in connection with the loan request.

CLT may also require Homeowner to submit additional information. CLT will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the CLT.

8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The CLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than ___% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in "Exhibit: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee," which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in "Exhibit: Permitted Mortgages, Part B, Rights of Permitted Mortgagee," which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT. Homeowner and CLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the

foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to CLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to CLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to CLT.

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

9.2 HOMEOWNER MUST DEFEND CLT AGAINST ALL CLAIMS OF LIABILITY. Homeowner shall defend, indemnify and hold CLT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against CLT for injury or damage on or about the Leased Land. However, CLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of CLT or CLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE CLT. In the event the CLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse the CLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, if the CLT determines that the replacement value to be insured should be increased, the CLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance covering the Home and the Leased Land using ISO Form HO 00 03 or its equivalent in the amount of _____ dollars ($_____) per occurrence and in the aggregate. The CLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the CLT prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the CLT's request but not more often than once in any one-year period. CLT shall inform the Homeowner of such required

increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify CLT of this problem, and CLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and CLT.

If Homeowner and CLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give CLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;
SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);
THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;
FOURTH, to the CLT for any amounts owed under this Lease;
FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;
SIXTH, the balance, if any, to the CLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE. If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to CLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, CLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME. If this Lease is terminated as a result of damage, destruction or taking, CLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by CLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against CLT if such a home is not made available.

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and CLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the CLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

"Income-Qualified Person" shall mean a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner can no longer occupy the home or if the Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement and a Letter of Attorney's Acknowledgement (as described in Article 1 above) are submitted to CLT to be attached to the Lease when it is transferred to the heirs.

a) the spouse of the Homeowner; or
b) the child or children of the Homeowner; or

c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death and is able to document this full year of occupancy.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Acknowledgment as provided above, must demonstrate to CLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL: No later than fifteen (15) days after CLT's receipt of Homeowner's Intent-to-Sell Notice, CLT shall commission a market valuation of the Leased Land and the Home (The Appraisal) to be performed by a duly licensed appraiser who is acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.6 CLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, CLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If CLT elects to purchase the Home, the CLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within thirty (30) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, CLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by CLT or CLT's assignee) must be completed within forty-five (45) days of CLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of CLT and Homeowner.

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit a Letter of Agreement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed

by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such sixty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If CLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint CLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the combined value of the Leased Land and the Home, as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus 25% of the increase in market value of the Home and Leased Land, if any, calculated in the way described below.

Homeowner's Base Price: The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is $_____.

Initial Appraised Value: The parties agree that the appraised value of the Home and Leased Land at the time of Homeowner's purchase (the Initial Appraised Value) is $ _____, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

Increase in Market Value: The increase in market value of the Home and Leased Land equals the appraised value of the Home and Leased Land at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

Homeowner's share of Increase in Market Value: Homeowner's share of the increase in the market value of the Home and Leased Land equals twenty-five percent (25%) of the increase in market value as calculated above.

Summary of Formula Price: The Formula Price equals Homeowner's Base Price plus Homeowner's Share of Increase in Market Value.

10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE: The CLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article 10. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by the CLT.

10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE. In the event that Homeowner sells the home to a party other than the CLT (whether directly to such party or as a result of CLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include in addition to the Purchase Option Price, at the discretion of the CLT, a transfer fee to compensate the CLT for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than __% of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER: The Homeowner is required to make necessary repairs when she voluntarily transfers the Home as follows:

a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at her sole expense a home inspector with a current Home Inspector license to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the CLT within 10 days after receiving the Inspection Report.
c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the CLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a CLT-approved escrow account. Homeowner shall allow CLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
e) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: RESERVED

ARTICLE 12: DEFAULT

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE CLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day

cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) TERMINATION: In the case of any of the events of default described above, CLT may terminate this lease and initiate summary proceedings under applicable law against Homeowner, and CLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, CLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by CLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, CLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by CLT in pursuit of its remedies under this Lease.

If CLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) EXERCISE OF OPTION: In the case of any of the events of default described above, Homeowner hereby grants to the CLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, CLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(b). Not later than ninety (90) days after the CLT gives notice to the Homeowner of the CLT's intent to exercise its option under this Section 12.4(a), the CLT or its assignee shall purchase the Home for the Purchase Option Price.

12.5 WHAT HAPPENS IF CLT DEFAULTS: CLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until CLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to CLT properly specifying CLT's failure to perform any such obligation.

ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

13.2 Homeowner and CLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 14: GENERAL PROVISIONS

14.1 NOTICES: Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to CLT: Columbia Community Land Trust (insert address here)

If to Homeowner: _____ (name of Homeowner)

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.2 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker other than _____ in connection with the purchase of the Home. If any claim is made against CLT regarding dealings with brokers other than _____, Homeowner shall defend CLT against such claim with counsel of CLT's selection and shall reimburse CLT for any loss, cost or damage which may result from such claim.

14.3 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or CLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that CLT's option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof, and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons: the children living as of the date of this Lease.

14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, CLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

14.5 WAIVER: The waiver by CLT at any time of any requirement or restriction in this Lease, or the failure of CLT to take action with respect to any breach of any such requirement or restriction, shall

not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Lease. CLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by CLT before being effective.

The subsequent acceptance of Lease Fee payments by CLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee so accepted, regardless of CLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee payment.

14.6 CLT'S RIGHT TO PROSECUTE OR DEFEND: CLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by CLT, Homeowner shall give CLT all reasonable aid in any such action or proceeding.

14.7 CONSTRUCTION: Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.8 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.9 PARTIES BOUND: This Lease sets forth the entire agreement between CLT and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by CLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.10 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of the State of Missouri. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against CLT or Homeowner.

14.11 RECORDING: The parties agree, as an alternative to the recording of this Lease, to execute a so-called Notice of Lease or Short Form Lease in form recordable and complying with applicable law and reasonably satisfactory to CLT's attorneys. In no event shall such document state the rent or other charges payable by Homeowner under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease

IN WITNESS WHEREOF, the parties have executed this lease at _____ on the day and year first above written.

Columbia Community Land Trust

_____ By: _____

Witness Its duly authorized agent

_____ (Homeowner):

_____

Witness

[notarize signatures]

Exhibit LETTER OF AGREEMENT

To: Columbia Community Land Trust ("the CLT")

Date: _____

This letter is given to the CLT to become an exhibit to a Lease between the CLT and me. I will be leasing a parcel of land from the CLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a "the Homeowner."

I have reviewed the terms and conditions of the Lease and other legal documents that are part of this transaction and have had the opportunity to have my legal counsel, if any, review the same.

I understand the way these terms and conditions will affect my rights as a CLT homeowner, now and in the future.
In particular I understand and agree with the following points.

- One of the goals of the CLT is to keep CLT homes affordable for lower income households from one CLT homeowner to the next. I support this goal as a CLT homeowner and as a member of the CLT.
- The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to the CLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.
- It is also a goal of the CLT to promote resident ownership of CLT homes. For this reason, my Lease requires that, if my family and I move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.
- I understand that I can leave my home to my child or children or other members of my household and that, when I am no longer able to live in my home or after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.
- As a CLT homeowner and a member of the CLT, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to others and me.

Sincerely

Sample

Exhibit LETTER OF ATTORNEYS ACKNOWLEDGMENT

I, _____, have been independently employed by _____ (hereinafter "the Client") who intends to purchase a house and other Home (the "Home") on land to be leased from Columbia Community Land Trust. The house and land are located at _____.

In connection with the contemplated purchase of the Home and the leasing of the land, I reviewed with the Client the following documents:

a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;
b) a proposed Deed conveying the Home to the Client;
c) a proposed Ground Lease conveying the "Leased Land" to the Client;
d) other written materials provided by the CLT.

The Client has received full and complete information and advice regarding this conveyance and the foregoing documents. In my review of these documents my purpose has been to reasonably inform the Client of the present and foreseeable risks and legal consequences of the contemplated transaction.

The Client is entering the aforesaid transaction in reliance on her own judgment and upon her investigation of the facts. The advice and information provided by me was an integral element of such investigation.

Name Date

Title

Firm/Address

Exhibit LAND

Correct legal description of area of Leased Land and appurtenant title rights and obligations

Exhibit DEED

Use actual deed

Exhibit: PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Section 8.2 of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

A. OBLIGATIONS OF PERMITTED MORTGAGEE. Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.

2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify CLT of its intention to do so, and CLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.

3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give CLT written notice of such acquisition and CLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, CLT must give written notice to the Permitted Mortgagee of CLT's intent to purchase the Home within thirty (30) days following CLT's receipt of the Permitted Mortgagee's notice. CLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If CLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.

4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Permitted Mortgage.

5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering CLT or any subsequent Mortgagee of CLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.

6. The Permitted Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that CLT's consent to such the Permitted Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. CLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

B. RIGHTS OF PERMITTED MORTGAGEE. The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by CLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

3. In the event that title to the estates of both CLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.

4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, CLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to CLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to CLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by CLT, Homeowner and the Permitted Mortgagee.

5. The CLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

6. In the event that CLT sends a notice of default under the Lease to Homeowner, CLT shall also send a notice of Homeowner's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to CLT by a written notice to CLT sent in the manner set forth in said Section 14.2 of the Lease.

7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.

8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.

C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and Homeowner.

This Agreement is made by and among:
_____ (Mortgagee) and
_____ ("Homeowner"),

***Whereas**:*

a) *Columbia Community Land Trust (the "CLT") and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at _____ ("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").*

b) *The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.*

c) *The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of CLT. The Ground Lease further provides that CLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein ("the Stipulated Conditions").*

***Now, therefore,** the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.*

Stipulated Conditions:

1) If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current

payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.

2) If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify CLT of its intention to do so and CLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.

3) If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the CLT written notice of such acquisition and the CLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the CLT notifies the Mortgagee in writing of the CLT's intent to make such purchase within thirty (30) days following the CLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that CLT shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the CLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;

4) Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Mortgage.

5) Nothing in the Mortgage shall be construed as rendering CLT or any subsequent holder of the CLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

6) The Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that CLT's consent to the Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7) In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.

8) Nothing in the Mortgage shall obligate CLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

By:

_____ for Mortgagee Date: _____

_____ for Homeowner/Mortgagor Date: _____

Exhibit FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.

b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.

c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Exhibit ZONING

Attach copy of ZONING classification for property, as of the commencement of the Lease

Exhibit INITIAL APPRAISAL

Attach copy of initial appraisal

Exhibit STANDARD PERMITTED MORTGAGE AGREEMENT

Attach agreement signed by lender and by homeowner, as specified section 8.c of the 'Permitted Mortgage Agreement' exhibit above.

CCLT Board Approved-6-13-2017

COLUMBIA COMMUNITY LAND TRUST
HOME BUYER SELECTION POLICIES & PROCEDURES

I. OVERVIEW

This policy is intended to guide both general and project-specific homebuyer selection procedures administered by the Columbia Community Land Trust (CCLT). This policy shall be reviewed at least annually by the CCLT Board of Directors for effectiveness in guiding the CCLT in the pursuit of its mission.

II. GOALS

The goals of the CCLT that these policies are intended to support are:

a) To provide as wide a range of opportunities as possible for low and moderate income people to secure housing that is decent, safe and affordable;

b) To ensure the preservation of the quality and affordability of housing for future low and moderate income residents of the community;

III. SELECTION CRITERIA

A. THRESHHOLD SELECTION CRITERIA

The following criteria reflect the CCLT's goal to reasonably match household size to unit size and household income to housing costs. [Note: some funding sources which the CCLT may rely on to develop its housing opportunities establish maximum eligible incomes of between 50% to 80% of the area median. See Appendix 3 for CCLT's "Resource Allocation Policy"]

1. Citizen of USA or registered alien.

2. Dependent students are eligible if they are over age 23, a veteran, a ward of the Court, or a graduate student with a B.A. or B.S. degree.

3. Income Eligibility -

a) Maximum Income: To be considered for selection, a household must have an annual income which does not exceed 80 % of the median income of households of equal size residing in the statistical area (as defined by the U.S. Department of Housing and Urban Development or its successor agency) within which the housing unit is located. There are, however, three exceptions that will be considered:

(1) Households at any income level who wish to place land which they own in the CCLT, or;

(2) who wish to undertake a sale-leaseback arrangement with the CCLT, or

(3) who agree to be bound by the CCLT's resale restrictions.

4. Creditworthiness: In all cases, a household must be able to demonstrate a sense of ownership of its financial obligations, and a history of responsible effort to meet them. The household, must be "pre-qualified" through the CCLT's application process to determine whether mortgage financing is likely to be obtained by the household based on the applicants available cash resources and the known requirements of various mortgage programs for which the household may be eligible. The applicant must have an average combined credit score within 20 points of the current Fannie Mae and Freddie Mac credit requirements.

a) Minimum Income: To be considered for CCLT's homeownership opportunities, a household's monthly income, when multiplied by the appropriate debt-to-income ratio, must be sufficient to support the housing costs for the housing opportunity in question. In general, households that require a cosigner in order to obtain a mortgage will not be considered.

(1) Affordability - (i.e. matching household income to housing cost). In general, affordable means that the monthly cost of occupying a particular housing unit does not exceed 35% of monthly household income, and monthly housing costs and total debt payments do not exceed 45% of monthly household income.

(2) Assets - To be considered for CCLT's homeownership opportunities, a review of a household's financial resources and circumstances should clearly indicate a limited ability to compete successfully in the conventional housing market, however applicants with more than $15,000 of liquid assets available for the purchase of a home are ineligible. The applicant is also required to provide $500 toward the purchase, from the buyers own funds.

B. SECONDARY SELECTION CRITERIA

The following circumstances, not necessarily in order of priority or importance, will be considered in those instances when there are two or more households expressing interest in a particular unit and who meet the Threshold Eligibility Criteria outlined above.

1. First-come first served: First applicants submitting a complete application and demonstrating the ability to qualify for a mortgage in a manner that satisfies requirements stated in Section "A. Threshold Selection Criteria."
2. Application on File. Length of time which a household's application for home ownership has been on file.

IV. APPLICATION PROCESS

This process is not necessarily sequential in nature, however each component of the process is essential to ensure that each of the CCLT's prospective home buyers is fully informed as to the fundamental details and atypical nature of the CCLT's real estate transaction (i.e. involving a leasehold interest in the land and restrictions imbedded in the ground lease agreement on the resale of the improvements located on the leased premises.)

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A. OUTREACH & MARKETING. Applicant responds to project specific marketing or general community outreach by contacting any one of the following for project specific, or general (as the case may be), information.

1. Columbia Community Land Trust

B. INFORMATION/ORIENTATION SESSION. Applicant is advised of the next periodically scheduled CCLT information/orientation session. Attendance at one or more of these sessions is required.

C. APPLICATION REVIEW. Applicant is provided with an application form to complete and return to CCLT staff. Assistance with filling out application will be provided by staff on an as-needed basis. Application is reviewed by staff in comparison to established threshold and secondary criteria. Staff determines whether applicant is likely to qualify for currently available housing units (or for the general waiting list, as the case may be).

D. HOME BUYER TRAINING. Applicant is directed to periodically scheduled sessions conducted by the City of Columbia. Applicant is advised to meet with local lender for a mortgage "pre-qualification" session to determine whether applicant is likely to obtain mortgage financing approval.

E. PRELIMINARY APPROVAL / DENIAL. Following mortgage "pre-qualification", and verifications, CCLT Board of Directors may preliminarily approve or deny an application. Qualified individuals/households will be so notified and placed on a waiting list to participate in the selection process for particular housing opportunities, as they become available. Applicants that do not meet application criteria will be so notified in writing. Staff or Selection Committee may provide tips or advise on how the applicant may improve financial or other obstacles to a successful application.

F. SELECTION PROCESS. The selection process for each housing opportunity may vary depending on the number of eligible and qualified persons on the waiting list relative to the number of housing opportunities available at a particular time. In general the selection process will be conducted according to the steps outlined in Section V below.

G. PURCHASE AND SALES CONTRACT / FORMAL MORTGAGE APPLICATION / ADVANCED ORIENTATION SESSION. The applicant and the CCLT Board President sign a purchase and sale agreement. Applicant applies for mortgage financing. A detailed review of the CCLT Lease and other legal documents associated with a particular transaction is scheduled with applicant.

H. MORTGAGE APPLICATION PROCESSING AND CLOSING Applicant moves through the mortgage application and approval process.

I. INDEPENDENT LEGAL REVIEW. Applicant must retain, at applicants expense, an attorney who reviews all the CCLT legal documents on behalf of applicant and who provides independent advise and counsel regarding the transaction.

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V. SELECTION PROCESS

A. WHO MAKES THE DECISION

1. Regarding Threshold and Secondary Eligibly Criteria -

   a) CCLT Staff – CCLT staff shall make a recommendation to the Board of Directors in a form acceptable to the Board regarding whether an application will be placed in the qualified applicant pool.

   b) Board of Directors - The Board of Directors will have final say as to whether an applicant meets the threshold and/or secondary criteria discussed herein.

2. Regarding Credit Risk and Overall Creditworthiness -

   a) The mortgage underwriting guidelines of the lending programs available to the CCLT's qualified home buyers shall be the deciding factors regarding credit risk and the overall creditworthiness of a particular applicant

B. HOW IS DECISION MADE

1. Regarding Threshold and Secondary Eligibly Criteria -

   a) Using the definitions found in Appendix 1 and considering the resource allocation policy in Appendix 3, staff will review both project-specific applications and general interest applications to determine whether the Threshold Criteria outlined above have been met. Applicants to be selected will come from among those who meet ***all*** of the Threshold Eligibility Criteria.

   b) Once this pool of applicants is used up, or if there are more eligible and qualified applicants than housing opportunities available, applications will be considered based on a review of the Secondary Selection Considerations.

2. Regarding Secondary Selection Considerations -

   a) Staff will provide to the CCLT Board of Directors a summary of its findings along with each applicant's application**.**

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APPENDIX 1 - DEFINITIONS

The Columbia Community Land Trust (CCLT) has adopted the following definitions for the purposes of assessing affordability and monitoring its ability to achieve its goals.

"Affordable" means that the monthly Occupancy Cost of a particular housing unit generally does not exceed 30% of household income. (See discussion of Housing Costs, defined below, for exceptions regarding single-family ownership housing.)

"Debt-to-Income Ratio" (DTI) means the maximum percentage of income which a particular lender will allow a household to spend on Housing Costs.

"Household" means a person, or group of persons who occupy the same housing unit as their primary residence.

"Median Income" shall be as set forth in regulations promulgated from time to time by the United States Department of Housing and Urban Development (HUD) pursuant to 42 U.S.C. Sec. 1437 *et seq*.

"Moderate Income" shall mean a household whose combined gross annual income, adjusted for Household Size (defined below), does not exceed 80% of the Median Income for the Statistical Area within which the housing is located as defined by HUD or a successor agency.

"Low Income" shall mean a household whose combined gross annual income, Adjusted for Household Size, does not exceed 50% of the Median Income for households of that size residing in the Statistical Area within which the housing is located.

"Very Low Income" shall mean a household whose combined gross annual income, Adjusted for Household Size, does not exceed 30% of the Median Income for households of that size residing in the Statistical Area within which the housing is located

"Statistical Area(s)" shall be as set forth in regulations promulgated from time to time by the United States Department of Housing and Urban Development (HUD) pursuant to 42 U.S.C. Sec. 1437 *et seq.*

"Housing Cost": shall mean:

1. When measuring the affordability to a known household of a known unit size:
   A. for "Single-Family" Ownership: the sum of the monthly payments due on
      - the mortgage (principal & interest); plus
      - the property taxes due on the property; plus
      - the hazard insurance policy; plus
      - the Ground Lease Fee, if applicable; plus
      - the repair and maintenance serve fund fee.

      [NOTE: The debt-to-income ratios dictated by the underwriting guidelines for a particular mortgage program shall be controlling for the purpose of determining the maximum percentage of income allocable to these monthly Housing Costs.]

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2. When calculating the affordability of *projected* occupancy costs for a particular unit, (for example to determine or establish a purchase price or rent level), the CCLT will make the following calculations:

   A. The controlling Debt-to-Income Ratio for households of the appropriate size will be determined (Housing Debt to Income Ratio is 35% and Total Debt to Income Ratio is 45%).

   B. Prevailing property tax assessments, insurance rates and condominium association fees (as applicable) for comparable properties will be examined and deducted from the controlling percentage of income allocable to occupancy costs in order to determine the amount of household income remaining to make a mortgage payment.

   C. Prevailing loan terms and interest rates of the State's Mortgage Revenues Bonding Authority (usually the state housing finance agency) will be used to calculate the maximum mortgage amount which could be amortized by a payment of this size.

   The amount resulting from these calculations will be the maximum purchase price considered to be affordable to the desired household income level.

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APPENDIX 2 - HOME BUYER / LEASEHOLDER APPLICATION

See City of Columbia Housing Programs Application.

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APPENDIX 3- RESOURCE ALLOCATION POLICY

100% of the CCLT's resources will be dedicated to benefit households earning at or below 80% of the median income (adjusted for household size in Boone County – see attached chart) to the extent such allocation is not inconsistent with conditions or restrictions placed on the use of such financing by those providing the financing.

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APPENDIX 4 - Current AREA MEDIAN INCOMES BY HOUSEHOLD SIZE (U.S. Department of Housing and Urban Development)

U.S. Dept. of HUD: 2017 Income Limits: 80% AMI	
1 Person	$41,650
2 Person	$47,600
3 Person	$53,550
4 Person	$59,500
5 Person	$64,300
6 Person	$69,050
7 Person	$73,800
8 Person	$78,550

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