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Requested By
RENO HOUSING AUTHORITY
Washoe County Recorder
Kalie M. Work

Fee: \$43.00 RPTT: \$0

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**APN: 011-262-02, 011-262-15,
011-262-04, 011-262-03,
011-262-14**

When recorded please mail to:

Nevada Housing Division
1830 E. College Parkway, Suite 200
Carson City, Nevada 89701

**DECLARATION OF RESTRICTIVE COVENANTS RUNNING WITH THE LAND
FOR HOME MEANS NEVADA INITIATIVE**

(440 Reno Avenue)

This Declaration of Restrictive Covenants is entered into between the Nevada Housing Division, a division of the Department of Business and Industry of the State of Nevada (hereafter "Division") and the Housing Authority of the City of Reno, a Nevada public body corporate and politic ("Grantee"); with reference to the following facts:

A. The property which is the subject of and is to be bound by this Declaration of Restrictive Covenants is known as 440 Reno Avenue ("Project"), situated in Washoe County, Nevada and is located on the real property described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"). The Property shall be construed to include all fixtures and improvements located on such real property and the tenements, hereditaments and appurtenances thereto.

B. Grantee was awarded a Grant pursuant to the Home Means Nevada Initiative by the Division in the amount of \$1,500,000 (the "Funds").

C. Grantee and the Division agree to enter into this Declaration of Restrictive Covenants for the Project for the Period of Affordability.

BASED UPON THE FOREGOING, the parties agree as follows:

**ARTICLE I
DEFINITIONS**

Unless the context otherwise requires, capitalized terms used in this Declaration of Restrictive Covenants shall have the following meanings:

A. "Agreement" means this Declaration of Restrictive Covenants, as the same may be amended, changed, modified or supplemented from time to time.

B. "Area Median Gross Income" means the median gross income of the area in which the Project is located as determined by the Secretary in a manner consistent with the determination

of area median gross income under Section 8 of the Housing Act, with adjustments for family size.

C. "Division" means the Nevada Housing Division, a division of the Department of Business and Industry of the State of Nevada, or any successor to the Division.

D. "Grantee" means the Housing Authority of the City of Reno.

E. "Gross Rent" means all rents paid by the Tenant, including the amount paid by the Tenant to the Grantee for utilities and any other mandatory fees paid by the Tenant to the Grantee, but excludes any payment under Section 8 of the Housing Act or any comparable federal rental assistance program and any other rental assistance program excluded from Gross Rent under 26 USC §42(g)(2). If the Tenant pays his or her utilities directly to a utility company, Gross Rent shall include any utility allowance prescribed by the Secretary.

F. "Housing Act" means the United States Housing Act of 1937, as amended, and any regulations pertaining thereto, as the same may be amended, changed, modified or supplemented from time to time.

G. "HUD" means the United States Department of Housing and Urban Development.

H. "Income" means the gross income of a Tenant determined in a manner consistent with the requirements of 26 USC §42(d)(2)(B). Income shall be determined at the time a Tenant begins occupancy and shall be re-determined at least annually.

I. "Period of Affordability" means 30 years beginning from the date the Project is available for occupancy.

J. "Project" means the multi-family residential housing project known as 440 Reno Avenue and located on the Property.

K. "Qualified Low-Income Housing Project" has the meaning ascribed to it in 26 USC §42(g)(1).

L. "Secretary" means the Secretary of the Treasury of the United States.

M. "Tenant" means the individual or individuals entitled to occupy a unit in the Project by lease or other legal relationship with the Grantee and any successors and assigns.

N. "Unit" means any unit in the Project consisting of an accommodation containing separate and complete facilities for living, sleeping, eating, cooking and sanitation. Provided, however, that single-room occupancy housing used on a non-transient basis may be treated as one or more units, even though the housing may provide eating, cooking and sanitation facilities on a shared basis.

ARTICLE II COVENANTS RUNNING WITH THE LAND

A. Declaration of Covenants. The Grantee hereby declares that the Project is and shall be held, conveyed, encumbered, leased, used, occupied, improved, and otherwise affected in any manner subject to the provisions contained in this paragraph A of Article II, all of which are hereby declared to be in furtherance of the purpose of providing affordable low-income housing. All provisions contained in this paragraph shall be deemed to be covenants running with the land or as an equitable servitude, as the case may be, and shall constitute benefits and burdens to the Owner/Grantee and its successors and assigns and to all persons hereafter acquiring or owning any interest in the Project, however such interest may be acquired. Accordingly, the following covenants, conditions, and restrictions are hereby imposed upon the Project:

1. Maintenance of the Project as a Qualified Low-Income Housing Project. During the Period of Affordability the Grantee, or any successor or assign, shall maintain the Project as a Qualified Low-Income Housing Project for Tenants at or below 60% of the Area Median Gross Income. Grantee agrees that if the Project ceases to be a qualified low-income housing project, as defined in 26 USC §42(g)(1), or if the Project fails to comply with any requirements set forth in this Agreement, Grantee shall repay all Funds actually provided to Grantee for the purchase of the Property back to the Division.

2. Prohibitions on Transfer of the Project. The Parties acknowledge and understand that Grantee intends to convey the Property to a third-party for the construction and operation of the Project. However, Grantee shall not sell, transfer, convey, exchange, or otherwise dispose of the Project to a third party, unless the Grantee's entire interest in the Project is conveyed to such third party, and the Division consents in writing to such a sale, transfer, conveyance, exchange or disposition. Upon approval of the transfer by the Division and actual conveyance of the Property, the transferee agrees assume all duties, obligations and other terms of the Grantee and to be bound by the terms of this Agreement. Grantee hereby agrees that it shall not enter into an agreement whereby Grantee agrees to sell, transfer, convey, or exchange any interest in itself to another entity, unless the Division consents in writing to such sale, transfer, conveyance, or exchange.

3. Residential Rental Requirements. During the Period of Affordability the Grantee will hold all Units in the Project continuously open for rental purposes to Tenants with incomes at or below 60% of the Area Median Gross Income.

4. Tenant Protections; Housing Quality Standards. During the Period of Affordability, Grantee agrees to comply with applicable Tenant protections and housing quality standards for any additional federal housing programs that the Project is subject to.

ARTICLE III ADDITIONAL REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE GRANTEE

A. In addition to the covenants running with the land made by the Grantee and described in Article II of this Agreement, the Grantee further represents, covenants and warrants the following:

1. Grantee is public body corporate and politic of the State of Nevada; has all necessary powers to own its properties and to carry on its business as now owned and operated in

the State of Nevada.

2. The execution and performance of this Agreement by Grantee will not violate or has not violated any law, rule, regulation, or any order of any court or other agency or governmental body, and will not violate or has not violated any provision of any indenture, agreement, mortgage, mortgage note, deed of trust, or other instrument in which the Grantee is a party or to which the Project is subject.

3. This Agreement and all obligations of Grantee under the terms of this Agreement are legally binding on Grantee and enforceable in accordance with their terms.

4. There is no action, suit, or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Grantee threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair the Grantee's duty to carry out or perform its obligations under this Agreement.

5. If the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, Grantee or any successors or assigns shall use its best efforts to repair and restore the Project to substantially the same conditions as existed prior to the event causing such damage or destruction and thereafter to operate the Project in accordance with the terms of this Agreement.

6. The Grantee shall not execute any other agreement, contract or instrument with provisions contradictory to, or in opposition to, the provisions contained herein.

7. Grantee has good and marketable title to the Project.

8. At least annually, the Grantee or its successors or assigns shall determine and certify the Income of each Tenant and within a reasonable time thereafter provide such information to the Division.

9. At least annually, the Grantee or its successors or assigns shall furnish to the Division the Gross Rents that are charged and collected by the Grantee with respect to each Unit.

10. The Grantee or its successors or assigns shall notify the Division if there is a determination by the United States Department of Treasury that the Project is no longer a Qualified Low-Income Housing Project. Such written notification to the Division shall be given within fifteen (15) days of the determination by the United States Department of Treasury.

11. The legal description attached hereto as Exhibit "A" is a true and correct copy of the legal description of the Property on which the Project is to be located.

12. The Grantee acknowledges that the Division is required to monitor the Project for noncompliance. The Grantee or any successor or assign agrees to be obligated and to pay to the Division such amounts as are assessed against the Grantee or any successor or assign by the Division from time to time to recover the Division's costs in connection with the monitoring of the Project.

**ARTICLE IV
TERM OF AGREEMENT/PERIOD OF AFFORDABILITY**

This Agreement shall commence on the first day that the Project is available for occupancy and shall continue for 30 years. This Agreement shall automatically terminate and will not burden the Property after the 30-year Period of Affordability has expired.

**ARTICLE V
ACCESS TO BOOKS AND RECORDS**

The Grantee shall permit, during normal business hours and upon reasonable notice, any duly authorized representative of the Division to inspect all books and records of the Grantee relating to the Project including, but not limited to, records relating to the Income of Tenants and the Gross Rents charged with respect to the Low-Income Units. The Grantee shall also submit such further information, documents or certifications as may be requested by the Division, that the Division deems reasonably necessary to substantiate the Grantee's compliance with the provisions of this Agreement and the Code.

**ARTICLE VI
EFFECT OF COVENANTS IN AGREEMENT**

A. Covenants Running With the Land. Each promise, covenant, and agreement contained in this Agreement and the undertaking to comply with each provision contained in this Agreement: (i) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in the Project, is granted, devised, or conveyed, whether or not set forth or referred to in such deed or other instrument; (ii) shall be deemed a real covenant by the Grantee for itself, its successors and assigns, and also an equitable servitude, running, in each case, as a burden with and upon the title to the Project, as a real covenant and servitude for the benefit of the Project; (iii) shall, by virtue of acceptance of any right, title or interest in the Project by a successor in interest to the Grantee, be deemed accepted, ratified, adopted and declared as a personal covenant of such successor in interest to the Grantee, and, as a personal covenant, shall be binding on such successor in interest and such successor in interest's heirs, personal representatives, successors and assigns, and shall be deemed a personal covenant to, with and for the benefit of the Division and the Tenants (whether prospective, present or former occupants); and (iv) shall be deemed a covenant, obligation and restriction in favor of the Division and any Tenant (whether prospective, present or former occupant), burdening and encumbering the title to the Project in favor of the Division and each Tenant (whether prospective, present or former occupant) for the Period of Affordability.

B. Personal Covenants. Each covenant, representation, agreement, promise and warranty contained in this Agreement and any undertaking to comply with such provisions shall be deemed a personal covenant by the Grantee and shall be binding on the Grantee's heirs, personal representatives, successors and assigns and shall be deemed a personal covenant to, with, and for the benefit of the Division.

**ARTICLE VII
ENFORCEMENT AND REMEDIES**

In addition to any other remedies provided by law, each provision of this Agreement with respect to the Grantee or successor in interest to the Grantee shall be enforceable by the Division and/or the Tenants (whether prospective, present or former occupants), as the case may be, by a proceeding for a prohibitive or mandatory injunction or by a suit or action to recover damages, legal fees and/or costs in a court in Washoe County, State of Nevada.

ARTICLE VIII RECORDING AND FILING

A. Recordation of Agreement and Amendments. Upon execution of this Agreement by the Division and the Grantee, the Grantee shall cause this Agreement, and all amendments hereto, to be recorded and filed in the official records of the office of the County Recorder in the county in which the Project is located, and shall pay all fees and charges incurred in connection therewith. Upon recordation of this Agreement, and all amendments hereto, the Grantee shall immediately furnish the Division an executed original of the recorded Agreement showing the date, book and page numbers of record.

B. Recordation of Instrument Terminating Agreement. Upon the termination of this Agreement, the Division and the Grantee shall execute and thereafter record in the official records of the County Recorder in which the Project is located, an instrument or such other documents necessary to notify third parties of the effective date of the termination of this Agreement and that the Project and the Grantee are no longer bound by the terms and provisions of this Agreement. The Grantee shall be responsible for paying all fees, costs, or charges, including attorneys' fees, incurred in connection with the preparation and recordation of such instrument.

ARTICLE IX AMENDMENTS

A. This Agreement may not be amended, changed, modified, altered or terminated unless a written instrument is executed and acknowledged by each of the parties hereto or their successors and is duly recorded in the official records of the County Recorder in the county in which the Project is located.

ARTICLE X MISCELLANEOUS

A. Attorneys' Fees. If any Party brings an action or proceeding to enforce, protect, or establish any right or remedy under the terms of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs.

B. Severability. In the event that any one or more of the foregoing covenants, conditions, or restrictions shall be declared for any reason by a court of competent jurisdiction to be null and void, all of the remaining covenants, conditions and restrictions not so expressed or declared to be invalid shall continue in full force and effect.

C. Violation of Law. Any violation of any federal, state, municipal or local law,

ordinance or regulation pertaining to the ownership, occupation, or use of any portion of the Project is hereby declared to be a violation of this Agreement and subject to any and all of the enforcement procedures herein set forth.

D. No Waiver. The failure to enforce any provisions of this Agreement shall not operate as a waiver of any such provision or of any other provision of this Agreement, nor shall such failure constitute a waiver of the right to enforce the same or any other provision of this Agreement for any subsequent violation.

E. Notices. All notices required or permitted to be given pursuant to the terms of this Agreement shall be in writing and shall be considered given (a) upon personal delivery of a copy to the party to be served or by standard overnight mail delivery; or (b) forty-eight (48) hours after mailing such notice by certified or registered mail, postage pre-paid, properly addressed and deposited in the United States mail. The addresses for notices shall be as follows:

To Division: Nevada Housing Division
1830 E. College Parkway, Suite 200
Carson City, Nevada 89706

To Grantee: 1525 E. 9th Street
Reno, NV 89512
Attn: Executive Director
Telephone: 775-329-3630
Facsimile: 775-786-1712
Email: hlopez@renoha.org

Any change in the address of either Division or Grantee shall be made by giving to the other party written notice of such change in the manner provided for above. Therefore, all such notices shall be given in accordance with the Notice of Change. Notices given before the actual receipt of the Notice of Change shall not be affected by the change.

F. Interpretation of Agreement. In interpreting and applying provisions of this Agreement, it is not the intent of this Agreement to interfere with the provision of any law or ordinance or any rules, regulations, or permits previously adopted or issued or which may be adopted or issued pursuant to a law relating to the use of the Project; nor is it the intention of this Agreement to interfere with or abrogate covenants or other agreements between parties; provided, however, that where this Agreement imposes a greater restriction upon the use or occupancy of the Project, or upon the construction or rehabilitation of the Project, or in connection with matters other than are imposed or required by such provisions of law or ordinances, by such rules, regulations or permits or by such covenants and agreements, then, in that case, the provisions of this Agreement shall control.

G. Limited Liability. The Division and any member, officer, agent, or employee of the Division, shall not be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice.

H. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Division, the Tenants, the Grantee, and their respective heirs, personal representatives, successors and assigns.

I. Captions. The captions and headings in this Agreement are for convenience only and should not be considered in construing any provision of this Agreement.

J. Gender and Number. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine, and neuter shall each include the masculine, feminine, and neuter as the context requires.

K. Supervening Law. The Parties recognize that this Agreement is at all times to be subject to the applicable local, state and federal laws. The Parties further recognize that this Agreement may be subject to amendments to such laws and regulations under new legislation that may require amendments or alterations of this Agreement in order to comply with any such amendments or new legislation. Any provisions of law that invalidate or are otherwise inconsistent with the terms of this Agreement, or that would cause one or both of the Parties to be in violation of the law shall be deemed to have superseded the terms of this Agreement, provided, however, that the parties shall exercise their best efforts to accommodate the terms and intent of this Agreement to the greatest extent possible and consistent with the requirements of the law.

L. Governing Law. This Agreement shall be governed by the laws of the State of Nevada and, where applicable, the laws of the United States of America.

M. Effect on Existing Mortgages. Any provision of this Agreement which is deemed to impair, reduce, or otherwise effect any right, title or interest of a mortgagee or beneficiary of a deed of trust under a mortgage or deed of trust recorded prior to the date of this Agreement shall not be effective or enforceable against such mortgagee or beneficiary unless the mortgagee or beneficiary shall have consented thereto in writing.

N. Mortgage Protection. Upon foreclosure of any mortgage, deed of trust or other lien affecting the Project, where such holder thereby assumes title to the Project or any portion thereof, such holder shall not be required to correct past violations hereof with respect to the Project so long as the Project is neither occupied nor used for any purpose by such holder, but is merely held for prompt resale. Any purchaser on foreclosure shall, however, take subject to this Agreement except that violations or breaches of, or failures to comply with, any provisions of this Agreement by prior legal owners shall not be deemed breaches or violations hereof or failures to comply herewith with respect to such purchaser, or his heirs, personal representative, successors or assigns.

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS239B.030)

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Dated this 7th day of May 2024

Grantee
Housing Authority of the City of Reno

Hilary Lopez
Hilary Lopez, Ph. D., Executive Director

Date: 5/7/24

STATE OF NEVADA)
)
WASHOE COUNTY)

On May 7, 2024, before me, Kathleen Merrill, Notary Public, personally appeared Hilary Lopez, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kathleen Merrill
Signature of Notary Public



Dated this 12th day of June 2024

NEVADA HOUSING DIVISION

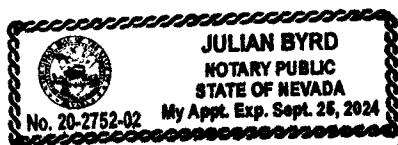
By: [Signature]

STATE OF NEVADA)

:ss.

CITY OF CARSON CITY)

On June 12th, 2024, personally appeared before me, a notary public, Steve Aichroth, personally known (or proved) to me to be the person whose name is subscribed to the above instrument, who acknowledged to me that he executed the instrument in his capacity as ~~(title)~~ Administrator for the Nevada Housing Division.



[Signature]
Notary Public

EXHIBIT A
Legal Description

File No.: 2279794

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PARCEL 1:

The West 63 feet of Lots 3 and 4 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

PARCEL 2:

The West 63 feet of Lots 3 and 4 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

Lots 8 and 9 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

EXCEPTING THEREFROM that portion of said Lots 8 and 9 conveyed to Catherine Y. McCambell by Deed recorded in Book 114, Page 413, File No. 81670, Deed Records, Washoe County, Nevada.

Lot 10 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

EXCEPTING THEREFROM that portion of said Lot 10 conveyed to Manuel Ochoa and Soledad Ochoa, husband and wife, by Deed recorded in Book 89, Page 275, File No. 57980, Deed Records, Washoe County, Nevada.

Lot 11 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

EXCEPTING THEREFROM that portion of said Lot 11 conveyed to Emma Holmes, a widow by Deed recorded in Book 86, Page 299, File No. 54860, Deed Records, Washoe County, Nevada.

Lot 12 in Block 14 of MARSH'S ADDITION TO RENO, filed in the office of the County Recorder of Washoe County, Nevada, on April 24, 1877.

EXCEPTING THEREFROM that portion of said Lot 12 conveyed to Mrs. Alice Holtzman by Deed recorded under File No. 59914, Deed Records, Washoe County, Nevada.

APN: 011-262-02, 011-262-15, 011-262-04, 011-262-03, 011-262-14