

PASSED

IN THE BOARD OF COMMISSIONERS OF THE
HOUSING AND COMMUNITY SERVICES AGENCY
OF LANE COUNTY, OREGON

ORDER
05-5-11-4H

In the Matter of Acquiring the Norsemen Village Apartments in Junction
City, Oregon.

WHEREAS, HACSA serves as the Public Housing Authority for Lane County, Oregon;

WHEREAS, ORS 456.120 includes in the Powers of Authority as a Public Corporation the
authority:

To own, hold and improve real or personal property;

To purchase, buy on contract, exchange, lease, lease back, obtain options upon, acquire by gift,
grant, bequest, devise or otherwise any real or personal property or any interest therein and to
give its mortgage or trust deed covering any real property or security agreement covering any
personal property or any interest in either.

To sell, mortgage, lease, rent, exchange, transfer, assign, pledge or otherwise dispose of any real
or personal property or any interest therein;

WHEREAS, the Board has decided to provide certain housing and related facilities for eligible
occupants in rural areas and has determined that HACSA is unable to provide such housing and facilities
with its own resources or to obtain from other sources for such purpose sufficient credit upon terms and
conditions which the Housing Authority could reasonably be expected to fulfill; and

WHEREAS, in order to preserve the affordability of Norsemen Village as low-income housing in
Lane County, it is necessary to acquire it;

NOW IT IS HEREBY ORDERED:

(1) Application for Loan and Grant. That the HACSA Executive Director is authorized to apply for and
obtain a loan (herein called "the Loan") in an amount not to exceed \$1,390,761, and a grant (herein called
"the Grant") in an amount not to exceed \$20,000, from the United States of America acting through the
Rural Housing Service, or a successor agency, United States Department of Agriculture, (herein called
"the Government") pursuant to Section 515 of the Housing Act of 1949. The loan may be sold and insured
by the Government. The loan and the grant shall be used solely for the specific purposes for which it is
approved by the Government, in order to provide housing and related facilities for eligible occupants, as
defined by the Government in rural areas. Such housing, facilities, and the land constituting the site are
herein called "the housing".

(2) Execution of Loan and Grant Instruments. To evidence the loan HACSA shall issue a promissory
note (herein referred to as "the Note"), executed by its Executive Director for the amount of the loan,
payable in installments over a period of thirty (30) years, bearing interest at a rate, and containing other
terms and conditions, prescribed by the Government. To evidence the obligations of the grant, HACSA
shall execute an instrument in the form attached hereto entitled "Prepayment and Displacement
Prevention Grant Agreement," evidencing terms and conditions upon which the grant is made by the
Government, and the obligations of HACSA with respect thereto. To secure the Note or any indemnity or
other agreement required by the Government, the Executive Director is hereby authorized to execute a

real estate security instrument giving a lien upon the housing and upon such other real property of HACSA as the Government shall require, including an assignment of project rents, subsidies, revenues and profits as collateral security to be enforced in the event of any default by HACSA, and containing other terms and conditions prescribed by the Government. The Executive Director is further authorized to execute any other security instruments and other instruments and documents required by the Government in connection with the making or insuring of the loan. The indebtedness and other obligations of HACSA under the Note, the related security instrument, and any related agreements are herein called the "Loan Obligation."

(3) Equal Opportunity and Nondiscrimination Provisions. The Executive Director is hereby authorized and directed to execute on behalf of HACSA: (a) any undertakings and agreements required by the Government pursuant to Title VII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 related to Fair Housing regarding non-discrimination in the use and occupancy of housing; (b) Form RD 400-1 entitled "Equal Opportunity Agreement", including an "Equal Opportunity Clause" to be incorporated in or attached as a rider to each construction contract the amount of which exceeds \$10,000 and any part of which is paid for with funds from the Loan, and (c) Form RD 400-4, entitled "Assurance Agreement (under Title VI, Civil Rights Act of 1964)", and any other undertakings and agreements required by the Government pursuant to lawful authority.

(4) Borrower Contribution. An amount of \$0 to be contributed by HACSA from its own funds for the land purchase or development will be placed or deposited with the lender and disbursed prior to any disbursement of interim loan funds or any loan funds of the Government.

(5) Accounts for Housing Operations and Loan Servicing. HACSA shall establish on its books the following accounts, which shall be maintained so long as the loan obligations remain unsatisfied: a General Operating Account, a Tenant Security Deposit Account and a Reserve Account.

(a) General Operating Account. By the time the Government loan is closed or interim construction funds are obtained, whichever occurs first, HACSA shall deposit cash from its own funds in an amount totaling \$0. Existing operating funds of current property owner transferred at loan closing shall be used to deposit cash in an amount totaling \$5,000. Use of deposited cash will be in accordance with 7 CFR Part 1930, subpart C or any successor regulation.

(b) Reserve account. Transfers at a rate not less than \$20,800 annually shall be made to the Reserve Account until the amount in the Reserve Account reaches the minimum sum of \$208,000 or such higher amount later agreed to by the Government and shall be resumed at any time when necessary, because of disbursements authorized by the Government from the Reserve Account to restore it to said sum. Withdrawal and use of funds deposited to this account will be in accordance with 7 CFR part 1930, subpart C or any successor regulation. Additionally, existing reserve account funds of current property owner in the amount of \$52,800 are to be transferred at loan closing.

(6) Regulatory Covenants. So long as the loan obligations remain unsatisfied, HACSA shall comply with all appropriate regulations of the Government and shall:

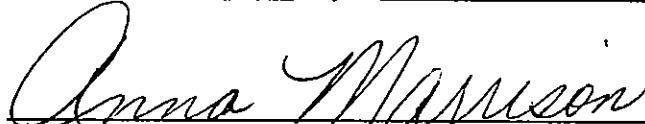
(a) Impose and collect such fees, assessments, rents, occupancy charges, and charges that the income of the housing will be sufficient at all times for operation and maintenance of the housing, payments on the loan obligations, and maintenance of the account provided for herein.

(b) Establish and maintain complete books and records relating to the housing's financial affairs, cause such books and records to be audited at the end of each fiscal year, promptly furnish the Government without request a copy of each audit report, and permit the Government or its representative to inspect such books and records at all reasonable times.

- (c) If required or permitted by the Government, revise the accounts herein provided for, or establish new accounts, to cover handling and disposition of income from and payment of expenses attributable to the housing or to any other property securing the loan obligations, and submit regular and special reports concerning the housing or financial affairs.
 - (d) Unless the Government gives prior consent:
 - (1) Not use the housing for any purpose other than as rental housing and related facilities for eligible occupants.
 - (2) Not enter into any contract or agreement for improvements or extensions to the housing or other property securing the loan obligations.
 - (3) Not cause or permit voluntary dissolution of HACSA nor merge or consolidate with any other organization, nor cause or permit any transfer or encumbrance of title to the housing or any part thereof or interest therein, by sale, mortgage, lease, or otherwise.
 - (e) Submit for the housing the required reports as per 7 CFR part 1930, subpart C or any successor regulation to the Government prior review.
 - (f) Comply with all its agreements and obligations in or under the note, security instrument, and any related agreement executed by HACSA in connection with the loan.
 - (g) Not alter, amend, or repeal, without the Government's consent, this agreement or any other agreement of HACSA directly relevant to this housing financed by the Government, which shall constitute parts of the total contract between HACSA and the Government relating to the loan obligations.
- (7) General Provisions.
- (a) It is understood and agreed by HACSA that any loan made or insured will be administered subject to the limitations of the authorizing act of Congress and related regulations, and that any rights granted to the Government herein or elsewhere may be exercised by the government in its sole discretion.
 - (b) The provisions of this agreement are representations to the Government, to induce the Government, to make or insure a loan to HACSA as aforesaid. If HACSA should fail to comply with or perform any provision of this agreement or any requirement made by the Government pursuant to this agreement, such failure shall constitute default as fully as default in payment of amounts due on the loan obligations. In the event of such failure, the Government at its option may require specific performance, declare the entire amount of the loan obligations immediately due and payable and, if such entire amount is not paid forthwith, may take possession of and operate the housing and proceed to foreclose its security and enforce all other available remedies, or take such other action as it may deem reasonable to comply with the provisions of this resolution.
 - (c) Any provisions of this agreement may be waived by the Government in its sole discretion to any extent such provisions could have been foregone to in amended form initially.
 - (d) Any notice, consent, approval, waiver or agreement must be in writing.
 - (e) This loan and grant resolution shall be subject to the present regulations of the Government and to its future regulations and provisions hereof.

- (f) HACSA agrees that no person with a disability will be subjected to discrimination in employment or denied the benefits of the housing because of such disability. It will comply with the requirements of the Fair Housing Act, 42 U.S.C. 3601 et seq., the Fair Housing Amendments act of 1988, the Rehabilitation Act of 1973, 29 U.S.C. 794, the Americans With Disabilities Act of 1990, 42 U.S.C. 12101 et seq., and the implementing regulations of the Department of Agriculture, 7 CFR part 15b.
- G. This Loan and Grant Resolution of HACSA may be cited in the security instrument and any other instruments as the "Loan and Grant Resolution of May 11, 2005".

DATED this 11th day of May, 2005


Chair, HACSA Board of Commissioners

APPROVED AS TO FORM

Date 5/3/05 Jones County


OFFICE OF LEGAL COUNSEL

PREPAYMENT AND DISPLACEMENT PREVENTION GRANT AGREEMENT

THIS AGREEMENT dated [REDACTED], between the Housing Authority [REDACTED] which is organized and operating under ORS 456 - herein call "Grantee," and the United States of America acting through the Rural Development, Department of Agriculture, herein called "Grantor,"

WITNESSETH:

WHEREAS:

Grantee has determined to undertake a project of acquisition of a multi-family housing project financed by the Grantor to house rural residents and has duly authorized the undertaking of such a project.

Grantee wishes to obtain grant funds to assist in the costs of acquisition of such project.

Grantor has agreed to grant the Grantee a sum not to exceed \$20,000 subject to the terms and conditions established by the Grantor. Provided, however, that this proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time it is determined that the Grantee has failed to comply with the conditions of the grant.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 502 of the Housing Act of 1949 to cover any direct costs (other than the purchase price) incurred by the organization or agency in purchasing and assuming responsibility for the housing and related facilities involved, as defined by applicable Rural Development instructions.

GRANTEE AGREES THAT GRANTEE WILL:

- A. Attempt to acquire said project in accordance with Rural Development regulations.
- B. If acquired, either directly or through contract, manage, operate and maintain the project continuously in an efficient and economic manner.
- C. Make services of said project available within its capacity to all eligible rural residents without discrimination because of race, color, religion, sex, age, handicap, marital or familial status, or national origin. For more specific requirements see 7 CFR Parts 3 and 15, Subparts A and B.
- D. Provide Grantor with such periodic reports as it may require and permit periodic inspections of its operations by a representative of the Grantor.
- E. To execute Forms Rural Development 400-1, "Equal Opportunity Agreement," and RD 400-4, "Assurance Agreement," and to execute any other agreements required by Grantor which Grantee is legally authorized to execute. If any such form has been executed by Grantee as a result of a loan or transfer being made to Grantee by Grantor contemporaneously with the making of this grant, another form of the same type need not be executed in connection with this grant.
- F. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated hereinabove, with interest at the rate of 5 per centum per annum from the date of the default. Default by the Grantee will constitute termination of the grant, thereby causing cancellation of Federal

assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it of previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made. For further provisions regarding enforcement see 7 CFR 3016.43.

G. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

H. Provide Financial Management Systems, as more specifically provided in 7 CFR 3016.20, which will include:

1. Accurate, current and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over and accountability for all funds. Grantee shall adequately safeguard all such funds and shall assure that they are used solely for authorized purpose.
4. Accounting records supported by source documentation.

I. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after grant closing except that the records shall be retained beyond the 3-year period if audit findings have not been resolved. Microfilm copies may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts, and transcripts.

J. Provide an audit report pursuant to 7 CFR 3016 prepared in sufficient detail to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

K. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursements for program purposes when the Grantee is a unit of local government. States and agencies or instrumentalities of states shall not be held accountable for interest earned on grant funds pending their disbursement.

L. Except as specifically provided in this agreement, comply with the applicable provisions of USDA's general grant regulations set out in 7 CFR 3016.

M. Comply with the requirements of 7 CFR 3017, Subpart F, relating to drug-free workplace requirements and 7 CFR Part 3018 relating to restrictions on lobbying.

GRANTOR AGREES THAT IT:

A. Will make available to Grantee for the purpose of this Agreement an amount not to exceed \$20,000 which it will advance to Grantee in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee with such assistance as Grantor deems appropriate in acquiring the project.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without available consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

TERMINATION OF THIS AGREEMENT:

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph F of this exhibit or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the grant will not produce beneficial results commensurate with the further expenditure of funds.

IN WITNESS WHEREOF Grantee on the date first above written has caused these presence to be executed by its duly authorized Executive Director.

HOUSING AUTHORITY [REDACTED]
[REDACTED]

**UNITED STATE OF AMERICA
RURAL DEVELOPMENT**

By _____

[REDACTED]
Executive Director

By _____

Jillene D. Davis
MFH Program Director

ATTACHMENT 2

Sample Closing Documents

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
RURAL HOUSING SERVICE

CONSOLIDATED LOAN RESOLUTION

RRH Loan to a Broadly Based Nonprofit Corporation

RRH Loan to a Profit Type Corporation

RRH Loan to a Profit Type Corporation Operating on a Limited Profit Basis

his resolution amends and restates the loan agreements signed by Crestown investors Ltd. dated December 23, 1977, and October 31, 1980.

CONSOLIDATED LOAN RESOLUTION OF May 1, 192000, RESOLUTION OF THE

BOARD OF DIRECTORS OF HOUSING AUTHORITY & COMMUNITY SERVICES OF LAKE COUNTY

PROVIDING FOR CONSOLIDATION OF LOAN ^{Agreements} RESOLUTIONS TOTALING \$ 846,060.00

TO FINANCE RENTAL HOUSING AND RELATED FACILITIES IN A RURAL AREA FOR HOUSEHOLDS

OF LOW AND MODERATE INCOME.

THE COLLECTION, HANDLING, AND DISPOSITION OF INCOME, THE ISSUANCE OF INSTALLMENT PROMISSORY NOTE AND REAL ESTATE SECURITY INSTRUMENT, AND RELATED MATTERS.

Whereas Housing Authority & Community Services of Lake County (herein referred to as the

"Corporation") is a corporation duly organized and operating under ORS Chapter 456, the Board of Directors of the Corporation (herein referred to as the "board") has decided to provide certain rental housing and related facilities for eligible occupants in rural areas. The board has determined that the Corporation is unable to provide such housing and facilities with its own resources or to obtain from other sources for such purpose sufficient credit upon terms and conditions which the Corporation could reasonably be expected to fulfill.

BE IT RESOLVED:

1. Application for Loan. The Corporation has applied for and obtained loans (herein call "the loans") totaling \$ 846,060.00 from the United States of America acting through the Rural Housing Service or a successor agency, United States Department of Agriculture, (herein called "the Government") pursuant to section 515 of the Housing Act of 1949. The loan may be sold and insured by the Government. The loans shall be used solely for the specific eligible purposes for which it is approved by the Government, in order to provide rental housing and related facilities for eligible occupants, as defined by the Government in rural areas. Such housing and facilities and the land constituting the site are herein called "the housing".

2. The following projects are consolidated which involve 2 loans:

<u>Camas Court Phase I Apartments,</u>	<u>\$ 322,000.00</u>
<u>Camas Place Phase II Apartments,</u>	<u>\$ 524,060.00</u>

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0100. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

3. Execution of Loan Instruments. To evidence the loans the Corporation has issued ^{assumption agreements} ~~promissory notes~~ (herein referred to as "the Notes"), signed by its President and attested by its Secretary, with its corporate seal affixed thereto, for the amount of the loans, payable in installments over a period of 365 months for loan 02 361 months for loan 01, bearing interest at rates and containing other terms and conditions, prescribed by the Government. To secure the notes or any indemnity or other agreement required by the Government, the President and the Secretary are hereby authorized to execute a real estate security instrument giving a lien upon the housing and upon such other real property of the Corporation as the Government shall require, including an assignment of the rents, subsidies, revenues and profits as collateral security to be enforced in the event of any default by the Corporation, and containing other terms and conditions prescribed by the Government. The President and Secretary are further authorized to execute any other security instruments and other instruments and documents required by the Government in connection with the making or insuring of the loan. The indebtedness and other obligations of the Corporation under the note, the related security instrument, and any related agreement are herein called the "loan obligation".

4. Equal Opportunity and Nondiscrimination Provisions. The President and the Secretary are hereby authorized and directed to execute on behalf of the Corporation: (a) any undertakings and agreements required by the Government pursuant to Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 related to Fair Housing regarding nondiscrimination in the use and occupancy of housing; (b) Form RD 400-1 entitled "Equal Opportunity Agreement" including an "Equal Opportunity Clause" to be incorporated in or attached as a rider to each construction contract the amount of which exceeds \$10,000 and any part of which is paid for with funds from the loan, and (c) Form RD 400-4, entitled "Assurance Agreement (under Title VI Civil Rights Act of 1964)" a copy of which is attached hereto and made a part thereof and any other undertakings and agreements required by the Government pursuant to lawful authority.

5. Borrower Contribution. The amount of \$ - 0 - own funds for the land purchase or development, was contributed from the corporation's own funds for the land purchase or development.

6. Accounts for Housing Operations and Loan Servicing. The Corporation shall establish on its books the following accounts, which shall be maintained so long as the loan obligations remain unsatisfied: a General Operating Account, a Tenant Security Deposit Account and a Reserve Account.

a. General Operating Account. By the time the Government loan is closed ~~or interim construction funds are obtained, whichever occurs first, the Corporation shall deposit cash from the Corporation's own funds in an amount~~ general operating account is to be transferred from Crestown Investors Ltd. totaling \$ _____ consisting of the individual amounts listed in the loan resolutions being consolidated. Use of deposited cash will be in accordance with 7 CFR part 1930, subpart C or any successor regulation.

b. Reserve Account. Transfers at a rate not less than \$ 8,061.00 annually, which is the total of the amounts listed in the loan resolutions being consolidated, shall be made to the Reserve Account until the amount in the Reserve Account reaches the minimum sum of \$ 80,610.00 or such higher amount later agreed to by the Government and shall be resumed at any time when necessary, because of disbursements from the Reserve Account to restore it to said sum. Use of funds deposited to this account will be in accordance with 7 CFR part 1930, subpart C or any successor regulation. With prior consent of the Government funds in the Reserve Account may be used by the Corporation:

1) To pay dividends to stockholders or for any other purpose duly authorized by the board, of up to 8 percent per annum of the borrower's initial investment of \$ 0.00 provided the board determines that after such disbursement (a) the amount in the Reserve Account will not be less than that required by this section to be accumulated by that time and (b) during the next 12 months the amount in the Reserve Account will likely not fall below that required to be accumulated by the end of such period.

2) To pay dividends to stockholders or for any other purpose duly authorized by the board, provided the board determines that after such disbursement (a) the amount in the Reserve Account will be not less than that required by this section to be accumulated by that time, and (b) during the next 12 months the amount in the Reserve Account will likely not fall below that required to be accumulated by the end of such period.

7. Regulatory Covenants. So long as the loan obligations remain unsatisfied, the Corporation shall comply with all appropriate regulations of the Government and shall:

a. Impose and collect such fees, assessments, rents, and charges that the income of the housing will be sufficient at all times for operation and maintenance of the housing, payments on the loan obligations, and maintenance of the accounts herein provided for.

b. Establish and maintain complete books and records relating to the housing's financial affairs, cause such books and records to be audited at the end of each fiscal year, promptly furnish the Government without request a copy of each audit report, and permit the Government or its representative to inspect such books and records at all reasonable times.

c. If required or permitted by the Government, revise the accounts herein provided for, or establish new accounts, to cover handling and disposition of income from and payment of expenses attributable to the housing or to any other property securing the loan obligations, and submit regular and special reports concerning the housing or financial affairs.

d. Unless the Government gives prior consent:

1) Not use the housing for any purpose other than as rental housing and related facilities for eligible occupants.

2) Not enter into any contract or agreement for improvements or extensions to the housing or other property securing the loan obligations.

3) Not cause or permit voluntary dissolution of the Corporation nor merge or consolidate with any other organization, nor cause or permit any transfer or encumbrances of title to the housing or any part thereof or interest therein, by sale, mortgage, lease, or otherwise.

4) Not cause or permit the issue or transfer of stock, borrow any money, nor incur any liability aside from current expenses as defined in section 7 which would have a detrimental effect on housing.

e. Submit for the housing the required reports as per 7 CFR part 1930, subpart C or any successor regulation to the Government for prior review.

f. Comply with all its agreements and obligations in or under the note, security instrument, and any related agreement executed by the Corporation in connection with the loan.

g. Not alter, amend, or repeal without the Government's consent this resolution or the bylaws or articles of incorporation of the Corporation, which shall constitute parts of the total contract between the Corporation and the Government relating to the loan obligations.

h. Take other action as may be required by the Government in connection with the operation of the housing, or with any of the Corporation's operations or affairs which may affect the housing, the loan obligations, or the security.

i. If the return on investment for any year exceeds 8 percent annum of Borrower's initial investment of \$ 0.00, the Government may require that the borrower reduce rents the following year, refund the excess return on the investment to the tenants, or use said excess in a manner that will best benefit the tenants.

8. General Provisions.

a. It is understood and agreed by the Corporation that any loan made or insured will be administered subject to the limitations of the authorizing act of Congress and related regulations, and that any rights granted to the Government herein or elsewhere may be exercised by it in its sole discretion.

b. The provisions of this resolution are representations to the Government, to induce the Government, to consolidate the loan resolutions of the Corporation as aforesaid. If the Corporation should fail to comply with or perform any provision of this resolution or any requirement made by the Government pursuant to this resolution, such failure shall constitute default as fully as default in payment of amounts due on the loan obligations. In the event of such failure, the Government at its option may require specific performance/declare the entire amount of the loan obligations immediately due and payable and, if such entire amount is not paid forthwith, may take possession of and operate the housing and proceed to foreclose its security and enforce all other available remedies or take such other actions as it deems necessary to enforce the provisions of this agreement

c. Any provisions of this resolution may be waived by the Government in its sole discretion to any extent such provisions could have been foregone in amended form initially.

d. Any notice, consent, approval, waiver or agreement must be in writing.

e. The Corporation agrees that no person with a disability will be subjected to discrimination in employment or denied the benefits of the housing because of such disability. It will comply with the requirements of the Fair Housing Act, 42 U.S.C. 3601 et seq., the Fair Housing Amendments Act of 1988, the Rehabilitation Act of 1973, 29 U.S.C. 794, the American with Disabilities Act of 1990, 42 U.S.C. 12101 et seq., and the implementing regulations of the Department of Agriculture, 7 CFR part 15(b).

f. This Consolidated Loan Resolution shall be subject to the present regulations of the Government and to its future regulations and provisions hereof.

g. This Resolution may be cited in the security instrument and any other instruments as the "Consolidated Loan Resolution of _____, 19 _____."

h. Borrower ^{assumes} ~~previously entered into~~ ^{Agreements} ~~Loan Resolutions~~ with the Government having the following dates

12-23-77 + 10-31-80

All such previous loan resolutions are consolidated into this Consolidated Loan Resolution and the multifamily housing units covered by such previous loan resolutions shall be operated as a single project under the terms and conditions of this Consolidated Loan Resolution. Violation of this Consolidated Loan Resolution shall constitute an event of default under the security instruments which may be described in such previous loan resolutions.

Borrower has delivered to Government several evidences of debt which provided for payments on various days of each month. To provide for orderly administration of the indebtedness, Borrower agrees to change the scheduled payment date on the following promissory notes, assumption agreements, or reamortization agreements to the first day of each following month until the debt evidenced by each instrument described is paid in full:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
10-31-80	\$524,060.00	12-23-77	322,000.00

i. This Consolidated Loan Resolution shall be effective on the date it is approved by Government.

j. Attached Exhibit A, Restrictive Use Clause.

HOUSING AUTHORITY (COMMUNITY SERVICES OF LAKE COUNTY

->

CHRIS TODIS, Executive Director

H.A. Board of Directors or Chairperson ->

CERTIFICATE

The undersigned, _____, the Secretary of the Corporation identified in the foregoing Consolidated Loan Resolution, hereby certifies that the foregoing is a true copy of a resolution duly adopted by the board of directors on _____, 19 _____, which has not been altered, amended, or repealed.

(Date)

(Secretary)

(Approval Date)

(Approval Official)

EXHIBIT A

RESTRICTIVE-USE PROVISIONS

The borrower and any successors in interest agree to use the housing for the purpose of housing very low- and low-income people eligible for occupancy as provided in Rural Development regulations then extant during the remaining useful life of the project. A tenant or person wishing to occupy the housing may seek enforcement of this provision as well as the Government. Throughout the remaining useful life of this project, no eligible person occupying or wishing to occupy the housing shall be required to vacate or be denied occupancy without cause. Rents, other charges, and conditions of occupancy will be set to meet these conditions. The borrower will be released during such period from these obligations only when the Government determines that there is no longer a need for such housing, or that such other financial assistance provided to the residents of such housing will no longer be provided due to no fault, action or lack of action on the part of the borrower.

Wherever "Farmers Home Administration or "FmHA", "Rural Development Administration" or "RDA" may appear, the term "United States of America" is substituted.

USDA-FmHA
Form FmHA 1927-7 OR
(Rev. 12-93)

REAL ESTATE DEED OF TRUST FOR OREGON
(Rural Housing)

THIS DEED OF TRUST is made and entered into by and between the undersigned HOUSING
AUTHORITY + COMMUNITY SERVICES OF
LANE COUNTY

residing in Lane County, Oregon, whose post office address

is 177 Day Island Rd., Eugene, Oregon 97401, as grantor(s), herein called "Borrower," and the Farmers Home Administration, United States Department of Agriculture, acting through the

State Director of the Farmers Home Administration for the State of Oregon whose post office address is 101 SW Main St. Ste. 1410, Portland, Oregon 97204, as trustee, herein called "Trustee," and the United

States of America, acting through the Farmers Home Administration, United States Department of Agriculture, as beneficiary, herein called the "Government," and:

WHEREAS Borrower is indebted to the Government as evidenced by one or more promissory note(s) or assumption agreement(s), herein called "note," which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, and is described as follows:

<u>Date of Instrument</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Due Date of Final Installment</u>
5-1-00	\$ 198,275.51	7.375%	12-1-27
5-1-00	\$ 356,149.84	7.375%	10-1-30

And the note evidences a loan to Borrower, and the Government, at any time, may assign the note and insure the payment thereof pursuant to Title V of the Housing Act of 1949 or any other statutes administered by the Farmers Home Administration;

And it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall secure payment of the note; but when the note is held by an insured holder, this instrument shall not secure payment of the note or attach to the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance contract by reason of any default by Borrower;

And this instrument also secures the recapture of any deferred principal and interest or of any interest credit and subsidy which may be granted to the Borrower by the Government pursuant to 42 U.S.C. §§ 1472(g) or 1490a, respectively.

NOW, THEREFORE, in consideration of the loan(s), Borrower hereby grants, bargains, sells, conveys, warrants and mortgages to Trustee the following described property situated in the State of Oregon, County(ies) of Lane

which said described real property is not currently used for agricultural, timber or grazing purposes:

See attached Exhibit A

together with all rights (including the right to mining products, gravel, oil, gas, coal or other minerals), interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, including, but not limited to, ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein-all of which are herein called "the property":

TO HAVE AND TO HOLD the property unto Trustee, Trustee's successors, grantees and assigns forever:

IN TRUST, NEVERTHELESS, (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, including any provision for the payment of insurance or other charge, (b) at all times when the note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereinafter described, and the performance of every covenant and agreement of Borrower contained herein or in supplementary agreement, the provisions of which are hereby incorporated herein and made a part hereof.

BORROWER for Borrower's self, Borrower's heirs, executors, administrators, successors and assigns **WARRANTS** the property and the title thereto unto Trustee for the benefit of the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and **COVENANTS AND AGREES** as follows:

(1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured holder, Borrower shall continue to make payments on the note to the Government, as collection agent for the holder.

(2) To pay the Government such fees and other charges as may now or hereafter be required by regulations of the Farmers Home Administration.

(3) If required by the Government, to make additional monthly payments of 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges upon the mortgaged premises.

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts, including advances for payment of prior and/or junior liens, required herein to be paid by Borrower and not paid by Borrower when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for Borrower's account. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.

(5) All advances by the Government, including advances for payment of prior and/or junior liens, in addition to any advances required by the terms of the note, as described by this instrument, with interest shall be immediately due and payable by Borrower to the Government without demand at the place designated in the latest note and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of Borrower's covenant to pay. Any payment made by Borrower may be applied on the note or any indebtedness to the Government secured hereby, in any order the Government determines.

(6) To use the loan evidenced by the note solely for purposes authorized by the Government.

(7) To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining to or reasonably necessary to the use of the real property described above, and promptly deliver to the Government without demand receipts evidencing such payments.

(8) To keep the property insured as required by and under insurance policies approved by the Government and, at its request, to deliver such policies to the Government.

(9) To maintain improvements in good repair and make repairs required by the Government; and not to abandon the property, or cause or permit waste, lessening or impairment of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any timber, gravel, oil, gas, coal, or other minerals except as may be necessary for ordinary domestic purposes.

(10) To comply with all laws, ordinances, and regulations affecting the property.

(11) To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note and any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and expenses of advertising, selling, and conveying the property.

(12) Except as otherwise provided by the Farmers Home Administration regulations, neither the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive rights, as beneficiary hereunder, including but not limited to the power to grant consents, partial releases, subordinations, and satisfaction, and no insured holder shall have any right, title or interest in or to the lien or any benefits hereof.

(13) At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

(14) This instrument secures to the Government the repayment of the debt evidenced by the note, including all adjustments, renewals, extensions or modifications in the interest rate, payment terms or balance due on the loan; the payment of all other sums, with interest, advanced under paragraph 4; and the performance of Borrower's covenants and agreements under this instrument and the note. The Government may (a) adjust the interest rate, payment, terms or balance due on the loan, (b) increase the mortgage by an amount equal to deferred interest on the outstanding principal balance, (c) extend or defer the maturity of, and renew and reschedule the payments on, the debt evidenced by the note or any indebtedness to the Government secured by this instrument, (d) release any party who is liable under the note or for the debt from liability to the Government, (e) release portions of the property and subordinate its lien, and (f) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lien or the priority of this instrument or Borrower's or any other party's liability to the Government for payment of the note or debt secured by this instrument unless the Government says otherwise in writing. HOWEVER, any forbearance by the Government--whether once or often--in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

(15) If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, Borrower, will, upon the Government's request, apply for and accept such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

(16) Default hereunder shall constitute default under any other real estate, or under any personal property or other secured instrument held or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

(17) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should the parties named as Borrower die or be declared incompetent, or should any one of the parties named as Borrower be declared a bankrupt or an insolvent, or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property, (c) upon application by it and production of this instrument, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, and (d) authorize and request Trustee to foreclose this instrument and sell the property as provided by law.

(18) At the request of the Government, Trustee may foreclose this instrument by advertisement and sale of the property as provided by law, for cash or secured credit at the option of the Government; such sale may be adjourned from time to time without other notice than oral proclamation at the time and place appointed for such sale and correction made on the posted notices; and at such sale the Government and its agents may bid and purchase as a stranger; Trustee at Trustee's option may conduct such sale without being personally present, through Trustee's delegate authorized by Trustee for such purpose orally or in writing and Trustee's execution of a conveyance of the property or any part thereof to any purchaser at foreclosure sale shall be conclusive evidence that the sale was conducted by Trustee personally or through Trustee's delegate duly authorized in accordance herewith.

(19) The proceeds of foreclosure sale shall be applied in the following order to the payment of (a) costs and expenses incident to enforcing or complying with the provisions hereof, (b) any prior liens required by law or a competent court to be so paid, (c) the debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of Borrower owing to or insured by the Government, and (f) any balance to Borrower. In case the Government is the successful bidder at foreclosure or other sale of all or any part of the property, the Government may pay its share of the purchase price by crediting such amount on any debts of Borrower owing to or insured by the Government, in the order prescribed above.

(20) All powers and agencies granted in this instrument are coupled with an interest and are irrevocable by death or otherwise; and the rights and remedies provided in this instrument are cumulative to remedies provided by law.

(21) Borrower agrees that the Government will not be bound by any present or future laws, (a) prohibiting maintenance of an action for a deficiency judgment or limiting the amount thereof or the time within which such action must be brought, (b) prescribing any other statute of limitations, or (c) limiting the conditions which the Government may by regulation impose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State laws.

(22) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex, national origin, handicap, familial status or age, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex, national origin, handicap, familial status or age.

(23) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future regulations not inconsistent with the express provisions hereof.

(24) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Agriculture, Portland, Oregon 97204 and in the case of Borrower at the address shown in the Farmers Home Administration Finance Office records (which normally will be the same as the post office address stated above.)

(25) Upon the final payment of all indebtedness hereby secured and the performance and discharge of each and every condition, agreement and obligation, contingent or otherwise, contained herein or secured hereby, the Government shall request trustee to execute and deliver to Borrower at Borrower's above post office address a deed of reconveyance of the property within 60 days after written demand by Borrower, and Borrower hereby waives the benefits of all laws requiring earlier execution or delivery of such deed of reconveyance.

(26) If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision or application, and to that end the provisions hereof are declared to be severable.

(27) See attached Exhibit B.

WITNESS the hand(s) of Borrower this _____ day of _____, 19 ____.

HOUSING AUTHORITY & COMMUNITY SERVICES OF LANE COUNTY

ACKNOWLEDGMENT FOR OREGON

STATE OF OREGON

COUNTY OF _____

} ss:

On this _____ day of _____, 19 ____, personally appeared the above-named _____

and acknowledged the foregoing instrument to be _____ voluntary act and deed. Before me

Notary Public

[NOTARIAL SEAL]

My Commission expires: _____

EXHIBIT "A"

PARCEL I:

Beginning at a point on the South right of way line of a public road as deeded in Reel 274, Reception No. 21391, Lane County Oregon Deed Records, said point being 318.95 feet South 1° 00' West and 26.0 feet North 89° 00' West from a stone set in County Survey No. 574; thence run South 1° 00' West, 170.0 feet; thence North 89° 00' West, 242.99 feet to a point that is 25.03 feet South 89° 00' East of a point on East line of that certain tract described in Reel 263, Reception No. 99376, Lane County Oregon Deed Records; thence North 1° 00' East parallel with the said East line, a distance of 170.0 feet to a point on the South right of way line of said public road; thence South 89° 00' East along said right of way line 242.99 feet to the point of beginning, in Lane County, Oregon.

PARCEL II:

Beginning at a point on the South right of way line of a public road as deeded in Reel 274, Reception No. 21391, Lane County Oregon Deed Records, in Lane County, Oregon, said point being 318.95 feet South 1° 00' West and 26.0 feet North 89° 00' West from a stone set in County Survey No. 574; thence run South 1° 00' West 170.0 feet to the true point of beginning of the herein described tract; thence continuing South 1° 00' West, 180.0 feet; thence North 89° 00' West, 242.99 feet to a point that is 25.03 feet South 89° 00' East of a point on the East line of that certain tract described in Reel 263, Reception No. 99376, Lane County Oregon Deed Records, in Lane County, Oregon; thence North 1° 00' East parallel with the said East line, a distance of 180.0 feet; thence South 89° 00' East 242.99 feet to the true point of beginning, in Lane County, Oregon.

EXHIBIT B

RESTRICTIVE-USE PROVISIONS

The borrower and any successors in interest agree to use the housing for the purpose of housing very low- and low-income people eligible for occupancy as provided in Rural Development regulations then extant during the remaining useful life of the project. A tenant or person wishing to occupy the housing may seek enforcement of this provision as well as the Government. Throughout the remaining useful life of this project, no eligible person occupying or wishing to occupy the housing shall be required to vacate or be denied occupancy without cause. Rents, other charges, and conditions of occupancy will be set to meet these conditions. The borrower will be released during such period from these obligations only when the Government determines that there is no longer a need for such housing, or that such other financial assistance provided to the residents of such housing will no longer be provided due to no fault, action or lack of action on the part of the borrower.

Wherever "Farmers Home Administration or "FmHA", "Rural Development Administration" or "RDA" may appear, the term "United States of America" is substituted.

EXHIBIT "A"

PARCEL I:

Beginning at a point on the South right of way line of a public road as deeded in Reel 274, Reception No. 21391, Lane County Oregon Deed Records, said point being 318.95 feet South 1° 00' West and 26.0 feet North 89° 00' West from a stone set in County Survey No. 574; thence run South 1° 00' West, 170.0 feet; thence North 89° 00' West, 242.99 feet to a point that is 25.03 feet South 89° 00' East of a point on East line of that certain tract described in Reel 263, Reception No. 99376, Lane County Oregon Deed Records; thence North 1° 00' East parallel with the said East line, a distance of 170.0 feet to a point on the South right of way line of said public road; thence South 89° 00' East along said right of way line 242.99 feet to the point of beginning, in Lane County, Oregon.

PARCEL II:

Beginning at a point on the South right of way line of a public road as deeded in Reel 274, Reception No. 21391, Lane County Oregon Deed Records, in Lane County, Oregon, said point being 318.95 feet South 1° 00' West and 26.0 feet North 89° 00' West from a stone set in County Survey No. 574; thence run South 1° 00' West 170.0 feet to the true point of beginning of the herein described tract; thence continuing South 1° 00' West, 180.0 feet; thence North 89° 00' West, 242.99 feet to a point that is 25.03 feet South 89° 00' East of a point on the East line of that certain tract described in Reel 263, Reception No. 99376, Lane County Oregon Deed Records, in Lane County, Oregon; thence North 1° 00' East parallel with the said East line, a distance of 180.0 feet; thence South 89° 00' East 242.99 feet to the true point of beginning, in Lane County, Oregon.

**MULTI FAMILY HOUSING
ASSUMPTION AGREEMENT**

Type of Loan: (Check one)	<input type="checkbox"/> RCH	<input checked="" type="checkbox"/> RRH	<input type="checkbox"/> LH	<input type="checkbox"/> RHS
Terms: (Check one)	<input type="checkbox"/> Same <input checked="" type="checkbox"/> New			
Case Number:	430201019136101024810			
Project Number:	1-1			

THIS AGREEMENT dated ~~May~~ May 1, 2000, is between the United States of America, acting through the Rural Housing Service or its successor (herein called the Government), and the assuming parties, Housing Authority ← Community Services of Lane County (herein called Borrower), who mailing address is 177 Day Island Road, Eugene, OR 97401

The Government is the holder of debt instrument(s) executed by Crestown Investors Ltd identified as follows:

TABLE I

Kind of Instrument	Date Executed	Principal Amount	UNPAID ON DATE HEREOF			Int. Rate	Ins. Charge Rate
			Principal	Accrued Interest	Late Fees		
Promissory Note	12-23-77	\$522,000.00	198,107.25	168.26	0.00	8.0	
		Totals	198,107.25	168.26	0.00		

And such loans are secured instrument(s) taken on property described therein which is located in Lane County, State of Oregon

TABLE II

Kind of Instrument	Date Executed	Office Where Recorded	Book/Volume/ Document Number	Page Number
Deed of Trust	12-23-77	Official Records of Lane County	Reel 878	77-82499

In consideration of the assumption of indebtedness and subsidy as herein provided and the Government's consent to this assumption and related conveyance of the security property, if applicable, it is agreed as follows:

The assuming parties hereby jointly and severally assume liability for and agree to pay to the order of the Government at the office shown below (or other as may later be specified) the amounts, including all obligations and duties under any note or other security instrument identified above, the principal sum of one hundred ninety-eight thousand two hundred seventy-five and 51/100 dollars (\$ 198,275.51) plus interest at the rate of seven & three-eighths percent (7.375 %) per annum, payable in installments as follows:

a. \$ _____ on _____, 19____, and \$ _____ thereafter on the _____ of each _____

until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable on or before _____

b. Upon completion of this assumption all payments will be converted to the Predetermined Amortization Schedule System (PASS) and, the first installment in the amount of \$ 1,403.22 will be due and payable on June 1, 2000. Thereafter, regular installments, each in the amount of \$ 1,403.22 will be due and payable on the first day of each month until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not paid sooner, shall be due and payable on or before December 1, 2027.

2. Payments of principal and interest shall be applied in accordance with the Government's accounting procedures in effect on the date of the receipt of the payment. The Borrower agrees to pay late charges in accordance with the Government's regulations in effect when a late charge is assessed.
3. The provisions of said debt and security instruments and of any outstanding agreement executed or assumed by the present debtors pertinent thereto shall, except as modified herein, remain in full force and effect, and the assuming parties hereby assume obligations of and agree to be bound by and comply with all covenants, agreements and conditions contained in said instruments and agreements, except as modified herein, the same as if they had executed them as of the dates thereof as principal obligors.
4. Provisions of the debt and security instrument(s) which require that the borrower graduate to another credit source do not apply to an assumption on ineligible terms. (An assumption on ineligible terms has been identified by the approval official and so noted in the official case file maintained at the Government's office noted in this document.)
5. The property secured by the instruments described in Table II was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the property continues to be used for the same or similar purpose for which financial assistance was extended or so long as the purchaser owns it, whichever is longer.
6. This Agreement is subject to present regulations of the Government and to its future regulations which are not inconsistent with the express provisions hereof.
7. See attached Exhibit A.

UNITED STATES OF AMERICA

HOUSING AUTHORITY & COMMUNITY SERVICES OF LAKE COUNTY

By Nancy Block
Multifamily Housing Specialist
(Title)

(Borrower)

(Borrower)

(Borrower)

(Borrower)

1600 Valley River Dr, Ste. 230
(Office Address)
Eugene OR 97401

EXHIBIT A

RESTRICTIVE-USE PROVISIONS

The borrower and any successors in interest agree to use the housing for the purpose of housing very low- and low-income people eligible for occupancy as provided in Rural Development regulations then extant during the remaining useful life of the project. A tenant or person wishing to occupy the housing may seek enforcement of this provision as well as the Government. Throughout the remaining useful life of this project, no eligible person occupying or wishing to occupy the housing shall be required to vacate or be denied occupancy without cause. Rents, other charges, and conditions of occupancy will be set to meet these conditions. The borrower will be released during such period from these obligations only when the Government determines that there is no longer a need for such housing, or that such other financial assistance provided to the residents of such housing will no longer be provided due to no fault, action or lack of action on the part of the borrower.

Wherever "Farmers Home Administration or "FmHA", "Rural Development Administration" or "RDA" may appear, the term "United States of America" is substituted.

MULTIPLE FAMILY HOUSING
INTEREST CREDIT AND RENTAL ASSISTANCE AGREEMENT

INSTRUCTIONS — TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ()		
1. BORROWER CASE NUMBER 4302019936002480	2. PROJECT NUMBER (MFH Only)	3. LOAN NUMBER 01
4. TYPE OF LOAN R.R.H.	5. EFFECTIVE DATE OF AGREEMENT 050100	6. INTEREST CREDIT PLAN CODE 1-Plan I 2-Plan II 3-Plan II RA 4-Plan I 5-Plan II RA 6-Plan R.A. 7-Section 8 (1%) 8-Section 8 (2%)
7. EFFECTIVE INTEREST RATE (Section 8 Plan Code Only)	8. REDUCED LOAN PAYMENT 685.68	9. SUBSIDY CREDIT 717.54

10. This Agreement between the United States of America, acting through the Rural Housing Service pursuant to Section 521 of the Housing Act of 1949, (herein called "the Government") and Housing Authority and Community Services of Lane County (herein called "Borrower") supplements a Assumption Agreement (new terms) in the principal amount of \$ 198,275.51 at seven and three-eighths percent (7.375%) interest, dated May 1, 2000 which was drawn in a single advance multiple advances.
11. The Government shall compute interest on the borrower's account at the promissory note rate.
12. Subject to the provisions of this Agreement the Government will credit \$ 717.54 subsidy, less surcharge/overage, to the borrower's account when each MONTHLY payment is made. The borrower's subsidized payment shall be \$ 685.68 plus surcharge/overage.
13. Borrower shall submit to the Government, as required by the Government in form prescribed or approved by it, proof of borrower's income and expenses for the previous calendar year or other designated periods, and any information on the family size and income of the occupants of the housing financed with the loan evidenced by the note.
14. If the Government should determine that the borrower has defaulted under any terms or conditions of this Agreement, the note, borrower's related Loan Resolution/Agreement, and supplementary or related agreements, or any related security instrument, or violates any program regulations, at its option the Government may suspend or terminate this Agreement as of any specified date following the default.
15. No credit to the borrower's account provided for in paragraph 12 shall be made following any termination date specified pursuant to paragraph 14.
16. The Government shall credit the borrower's account, or pay the borrower rental assistance, including periods of default when determined to be in the Government's best interest, amounts equal to the difference between the payment required in paragraph 12 above and the payment required under a formula and procedure prescribed by the Government.
17. No terms or conditions of the note or any related security or other instrument shall be affected by this Agreement except as expressly provided herein.
18. This Agreement is subject to the present regulations of the Rural Housing Service, and to its future regulations not inconsistent with the express provisions hereof.
19. Upon request, the borrower will permit representatives of the Government (or other agencies of the Department of Agriculture authorized by the Department) to inspect and make copies of any records of borrower pertaining to Rural Housing Service loans and this agreement.
20. If the borrower has received any excessive credit or payment, in addition to any rights of recovery, the Government may deduct the amount from any subsequent credit or payment.
21. If the Government should determine that the subsidy is no longer needed for the benefit of the tenants, at its option the Government may upon written notice suspend, modify or terminate this agreement as of any specific date.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0047. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CORPORATE SEAL)

Housing Authority ⁺ and Community Services of Lane County
(NAME OF BORROWERS)

(SIGNATURE OF ATTESTING OFFICIAL)

(SIGNATURE & TITLE OF EXECUTIVE OFFICIAL)

(TITLE OF ATTESTING OFFICIAL)

177 Day Island Rd.
(P.O. BOX OR STREET ADDRESS)

Eugene OR 97401
(CITY, STATE, AND ZIP CODE)

UNITED STATES OF AMERICA
RURAL DEVELOPMENT
RURAL HOUSING SERVICE

By _____

Multifamily Housing Specialist
(TITLE)

(DATE OF EXECUTION)

In consideration of the assumption of indebtedness and subsidy as herein provided and the Government's consent to this assumption and related conveyance of the security property, if applicable, it is agreed as follows:

The assuming parties hereby jointly and severally assume liability for and agree to pay to the order of the Government at the office shown below (or other as may later be specified) the amounts, including all obligations and duties under any note or other security instrument identified above, the principal sum of three hundred fifty-six thousand one hundred forty-nine and 84/100 dollars (\$356,149.84) plus interest at the rate of Seven + three-eighths percent (7.375%) per annum, payable in installments as follows:

a. \$ _____ on _____, 19____, and \$ _____ thereafter on the _____ of each _____

until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable on or before _____.

b. Upon completion of this assumption all payments will be converted to the Predetermined Amortization Schedule System (PASS) and, the first installment in the amount of \$ 2,450.68 will be due and payable on June 1, 192000. Thereafter, regular installments, each in the amount of \$ 2,450.68 will be due and payable on the first day of each month until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not paid sooner, shall be due and payable on or before October 1, 2030.

- 2. Payments of principal and interest shall be applied in accordance with the Government's accounting procedures in effect on the date of the receipt of the payment. The Borrower agrees to pay late charges in accordance with the Government's regulations in effect when a late charge is assessed.
- 3. The provisions of said debt and security instruments and of any outstanding agreement executed or assumed by the present debtors pertinent thereto shall, except as modified herein, remain in full force and effect, and the assuming parties hereby assume obligations of and agree to be bound by and comply with all covenants, agreements and conditions contained in said instruments and agreements, except as modified herein, the same as if they had executed them as of the dates thereof as principal obligors.
- 4. Provisions of the debt and security instrument(s) which require that the borrower graduate to another credit source do not apply to an assumption on ineligible terms. (An assumption on ineligible terms has been identified by the approval official and so noted in the official case file maintained at the Government's office noted in this document.)
- 5. The property secured by the instruments described in Table II was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the property continues to be used for the same or similar purpose for which financial assistance was extended or so long as the purchaser owns it, whichever is longer.
- 6. This Agreement is subject to present regulations of the Government and to its future regulations which are not inconsistent with the express provisions hereof.
- 7. See attached Exhibit A.

UNITED STATES OF AMERICA

By NANCY BLOCK
multifamily Housing Specialist
(Title)

1600 Valley River Dr. Ste. 230
(Office Address)
Eugene OR 97401

HOUSING AUTHORITY + COMMUNITY SERVICES OF LAKE COUNTY

(Borrower)

(Borrower)

(Borrower)

(Borrower)

EXHIBIT A

RESTRICTIVE-USE PROVISIONS

The borrower and any successors in interest agree to use the housing for the purpose of housing very low- and low-income people eligible for occupancy as provided in Rural Development regulations then extant during the remaining useful life of the project. A tenant or person wishing to occupy the housing may seek enforcement of this provision as well as the Government. Throughout the remaining useful life of this project, no eligible person occupying or wishing to occupy the housing shall be required to vacate or be denied occupancy without cause. Rents, other charges, and conditions of occupancy will be set to meet these conditions. The borrower will be released during such period from these obligations only when the Government determines that there is no longer a need for such housing, or that such other financial assistance provided to the residents of such housing will no longer be provided due to no fault, action or lack of action on the part of the borrower.

Wherever "Farmers Home Administration or "FmHA", "Rural Development Administration" or "RDA" may appear, the term "United States of America" is substituted.

MULTIPLE FAMILY HOUSING
INTEREST CREDIT AND RENTAL ASSISTANCE AGREEMENT

INSTRUCTIONS — TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ()		
1. BORROWER CASE NUMBER 4302010936002480	2. PROJECT NUMBER (MFH Only) 1	3. LOAN NUMBER 02
4. TYPE OF LOAN R.R.H.	5. EFFECTIVE DATE OF AGREEMENT 050100	6. INTEREST CREDIT PLAN CODE 1-Plan I 2-Plan II 3-Plan II R.A. 6-Plan R.A. 7-Section 8 (1%) 8-Section 8 (2%) 5
7. EFFECTIVE INTEREST RATE (Section 8 Plan Code Only)	8. REDUCED LOAN PAYMENT 113206	9. SUBSIDY CREDIT 131862

10. This Agreement between the United States of America, acting through the Rural Housing Service pursuant to Section 521 of the Housing Act of 1949, (herein called "the Government") and Housing Authority + Community Services of Lane County (herein called "Borrower") supplements a Assumption Agreement (new terms) in the principal amount of \$ 356,149.84, at seven + three-eighths percent (7.375%) interest, dated May 1, 2000 which was drawn in a single advance multiple advances.
11. The Government shall compute interest on the borrower's account at the promissory note rate.
12. Subject to the provisions of this Agreement the Government will credit \$ 1,318.62 subsidy, less surcharge/overage, to the borrower's account when each MONTHLY payment is made. The borrower's subsidized payment shall be \$ 1,132.06 plus surcharge/overage.
13. Borrower shall submit to the Government, as required by the Government in form prescribed or approved by it, proof of borrower's income and expenses for the previous calendar year or other designated periods, and any information on the family size and income of the occupants of the housing financed with the loan evidenced by the note.
14. If the Government should determine that the borrower has defaulted under any terms or conditions of this Agreement, the note, borrower's related Loan Resolution/Agreement, and supplementary or related agreements, or any related security instrument, or violates any program regulations, at its option the Government may suspend or terminate this Agreement as of any specified date following the default.
15. No credit to the borrower's account provided for in paragraph 12 shall be made following any termination date specified pursuant to paragraph 14.
16. The Government shall credit the borrower's account, or pay the borrower rental assistance, including periods of default when determined to be in the Government's best interest, amounts equal to the difference between the payment required in paragraph 12 above and the payment required under a formula and procedure prescribed by the Government.
17. No terms or conditions of the note or any related security or other instrument shall be affected by this Agreement except as expressly set forth herein.
18. This Agreement is subject to the present regulations of the Rural Housing Service, and to its future regulations not inconsistent with the express provisions hereof.
19. Upon request, the borrower will permit representatives of the Government (or other agencies of the Department of Agriculture authorized by the Department) to inspect and make copies of any records of borrower pertaining to Rural Housing Service loans and this agreement.
20. If the borrower has received any excessive credit or payment, in addition to any rights of recovery, the Government may deduct the amount from any subsequent credit or payment.
21. If the Government should determine that the subsidy is no longer needed for the benefit of the tenants, at its option the Government may upon written notice suspend, modify or terminate this agreement as of any specific date.

According to the Privacy and Information Protection Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0047. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing the instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CORPORATE SEAL)

HOUSING AUTHORITY & COMMUNITY SERVICES OF LANE COUNTY
(NAME OF BORROWERS)

(SIGNATURE OF ATTESTING OFFICIAL)

(SIGNATURE & TITLE OF EXECUTIVE OFFICIAL)

(TITLE OF ATTESTING OFFICIAL)

177 Day Island Rd.
(P.O. BOX OR STREET ADDRESS)

Eugene, OR 97401
(CITY, STATE, AND ZIP CODE)

UNITED STATES OF AMERICA
RURAL DEVELOPMENT
RURAL HOUSING SERVICE

By _____

Multi-family Housing Specialist
(TITLE)

(DATE OF EXECUTION)