

**RESTRICTION ON CONVEYANCE OF PROPERTY
AND GRANT OF LIEN**

THIS RESTRICTION ON CONVEYANCE OF PROPERTY (“Deed Restriction”) is made and entered by and between the CITY OF LOVELAND, COLORADO, whose address is 500 East Third Street, Loveland, Colorado (“City”), and Aspen Homes of Colorado, Inc. whose address is 3037 N. Taft Ave. Loveland, Colorado 80538 (“Owner”); and

WHEREAS, the Owner is the owner of certain real property legally described as:

LOT , BLOCK , WILSON COMMONS FIRST SUB, LOV (20050091037),

also known by the street address, _____, Loveland, Colorado 80538 (“Property”); and

WHEREAS, in consideration of the Affordable Housing Designation, granted and approved on October 25, 2000 and extended by a Development Agreement between the parties on October 10, 2010, pursuant to Resolution #R-65-2010 and extended again by an Agreement to Extend Certain Deadlines Related to the Wilson Commons Addition on March 10, 2021, pursuant to Resolution #R-33-2021, the Owner intends to build a single-family dwelling unit on the Property to be sold to a household that makes no more than seventy percent (70%) of the Area Median Income in the City as determined by the U.S. Department of Housing and Urban Development, as of the date of the sale (“Qualifying Household”) and further intends to restrict ownership of the home to other Qualifying Households for a period of twenty (20) years following the initial purchase; and

WHEREAS, provisions of Loveland Municipal Code addressing Affordable Housing are applicable to this property; and

WHEREAS, Loveland Municipal Code sections 18.16.05 *et. al*, see attached Exhibit B, provide that the City may offer fee reductions by resolution that grant an exemption in all, or part, of the capital expansion or any other fees imposed upon a construction project, whether for capital or other purposes, upon a finding, based on the development agreement, that the project for which the fees would otherwise be imposed is a qualified affordable housing development; and

WHEREAS, pursuant to Loveland Municipal Code section 18.16.05.07, the City Council has established guidelines for affordable housing developments which require a deed restriction or encumbrance of “for-sale” affordable housing units to Qualifying Households. Qualified units shall be sold only to Qualifying Households for a period of twenty (20) years following initial purchase. All provisions of the deed restriction listed in this section of the Code are intended to be enforced by this Deed, including, but not limited to, the prohibition on renting the property and the requirement that it be owner-occupied; and

WHEREAS, pursuant to Loveland Municipal Code section 18.16.05, the Owner has met all of the applicable criteria and the City has granted and approved an exemption to the Owner from certain fees upon the express condition that the single-family home constructed on the Property be sold to a Qualifying Household and that ownership of the home be restricted to the other Qualifying Households for a period of twenty (20); and

NOW, THEREFORE, in consideration of the City granting to the Owner a use tax credit or reduction in capital expansion and other fees or water requirements pursuant to qualification of the development as an affordable housing project, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Covenant to Sell Only to a Qualifying Household. Pursuant to Loveland Municipal Code section 18.16.05.07, the Owner hereby covenants and agrees that the Owner, its successors, and assigns shall not sell or convey the Property to any person or entity other than a Qualifying Household for a period of twenty (20) years from the date of the initial purchase of the affordable housing unit by the initial Qualifying Household. **Further, the requirements of Loveland Municipal Code 18.16.05 et al. (or their successors) are specifically applicable to this property.**

2. Covenant Not to Rent. Pursuant to Loveland Municipal Code section 18.16.05.07, the Owner hereby covenants and agrees that the Owner, its successors, and assigns shall not rent the Property and that the Property will be owner-occupied for a period of twenty (20) years from the date of the initial purchase of the affordable housing unit by the initial Qualifying Household.

3. Expiration/Termination of Deed Restriction. This Deed Restriction shall automatically expire: (1) if title to property mortgaged by an institutional lender is transferred to an institutional lender, or to the institutional lender's successor or assign, by foreclosure or deed-in-lieu of foreclosure or (2) twenty (20) years from the date **of the initial purchase of the affordable housing unit by the initial Qualifying Household.**

4. Deeds Conveying Property. Owner, its successors and assigns shall incorporate this Deed Restriction into all deeds or documents conveying the Property.

a. Prior to any conveyance of the Property, the Owner and each successor owner shall obtain written acknowledgment from the City that such conveyance is to a Qualifying Household.

b. Upon a sale to a Qualified Household and compliance with Paragraph 4, or payment of the amount due pursuant to Paragraph 5 (as the case may be), the Seller will have no further obligation under this Deed Restriction as to the Property.

c. Prior to any successive conveyance of the Property, each successor owner shall obtain written acknowledgment from the City that such conveyance is to a Qualified Household and that the successor owner has signed a written acknowledgment of this Deed Restriction which has been filed with the accompanying real estate documents.

5. Repayment Obligation. In the event the current owner of the Property ("Seller") conveys the Property to a person or entity which is not a Qualifying Household ("Buyer") within twenty (20) years from the date of the initial purchase of the affordable housing unit by the initial Qualifying Household, the City shall have the right to recover from the Seller and Buyer, jointly and severally, a percentage of the Net Proceeds, as defined below, from the sale of the Property based on the Repayment Schedule attached hereto as Exhibit A and incorporated herein by reference (the "Repayment Amount"). "Net Proceeds" shall mean the current sale price minus the previous purchase

price minus Eligible Closing Costs. “Eligible Closing Costs” shall include title company closing fees charged to the Seller, real estate commissions, and title insurance charges.

6. Grant of Lien. The Owner hereby grants unto the City a lien against the Property securing payment of any amount due under Paragraph 5. The lien herein granted shall remain a lien against the Property so long as this Deed Restriction is in effect. This Deed Restriction shall have priority over any lien on the Property **other than a non-refinanced, first mortgage of an individual/family Qualified Homeowner /Household.**

7. Enforcement of Lien. In the event the Seller violates the covenant set forth in Paragraphs 1 or 2, this lien may be enforced by the City by foreclosure in the manner provided by law for foreclosure of mortgages or any other available remedies under law or equity. In the event of such foreclosure, the City shall be allowed as part of its costs of foreclosure compensation including attorney fees, costs, and alternative dispute resolution fees and costs.

8. Failure of Compliance with Terms of this Deed Restriction. Should any owner of this Property fail to comply with the terms and conditions of this Deed Restriction, the City may pursue any available remedies under law or equity to enforce the terms of this Deed Restriction and shall be entitled to damages and/or punitive damages, attorney fees, the costs enumerated in Paragraph 5 and 7, and alternative dispute resolution fees and costs.

9. Waiver of Homestead Exemption. The Owner hereby fully and absolutely waives and releases all rights and claims they may have in or to the Property as a Homestead Exemption, or other exemption, under and by virtue of any act of the Colorado General Assembly or as any exemption under and by virtue of any act of the United States Congress, whether now existing or which may hereafter be passed in relation thereto.

10. Warranty of Title. The Owner covenants and agrees to and with the City that at the time of the execution of this Deed Restriction that the Owner is well seized of the Property in fee simple and has good right, full power and lawful authority to grant, bargain, sell and convey the Property and to grant the lien as provided herein, and that the Property is free and clear of all liens and encumbrances whatever, except those currently of record, and the Owner hereby agrees to warrant and forever defend all of the same.

11. Binding Effect. This Deed Restriction reflects the intent of the Parties that the respective rights and obligations set forth in this Deed Restriction shall constitute covenants, equitable servitudes, and/or liens that shall run with the land and shall benefit and burden any representatives, successors and assigns of the Parties.

12. Recordation and Assignment. This Agreement shall be recorded with the Larimer County Clerk and Recorder’s Office within two business days of its signing. Failure to do so may allow the City to seek compensation, attorney fees, and costs against the Seller/Owner of this property for any and all future litigation, mediation, or dispute resolution, damages and/or punitive damages this failure causes.

IN WITNESS WHEREOF, the Parties have executed this Deed Restriction as of the attestation date below.

CITY OF LOVELAND, COLORADO

By: _____
City Manager

Date: _____

ATTEST:

City Clerk

Date

APPROVED AS TO FORM:

Assistant City Attorney

OWNER: _____

By: _____

Title: _____

Date: _____

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing Restriction on Conveyance of Property was acknowledged before me this ____ day of _____, 20__ by _____.

Witness my hand and official seal. My commission expires: _____.

Notary Public

EXHIBIT A

Early Termination Fee Recapture	
Number of Years from the Original Sale ¹	Net Proceeds to be Returned to City
1	95%
2	90%
3	85%
4	80%
5	75%
6	70%
7	65%
8	60%
9	55%
10	50%
11	45%
12	40%
13	35%
14	30%
15	25%
16	20%
17	15%
18	10%
19	5%
20	0%

Table Note: ¹ Use standard rounding techniques to round to the nearest whole year.

EXHIBIT B

TITLE 18 UNIFIED DEVELOPMENT CODE

(Ord. 6248 §1, 11/06/2018)

PART 4: NONCONFORMITIES, DEVELOPMENT REVIEW, AND ENFORCEMENT

Chapter 18.16 Required Improvements, Dedications, and Fees

Division 18.16.05 Affordable Housing

18.16.05.01 Purposes; Voluntary Participation

A. **Purposes.** The purposes of this Division are to:

1. Encourage development of diverse housing types and complete neighborhoods;
2. Support housing that meets the needs of low and moderate income households;
3. Reduce homelessness by providing supportive housing with services.

B. **Voluntary Participation.** The City does not require the development of affordable housing. However, the City may provide incentives to applicants who choose to develop affordable housing and voluntarily accept the conditions that are set according to this Division.

Effective on: 11/20/2018

18.16.05.02 Community Housing Development Fund Established

There is created a special fund to be known as the “Community Housing Development Fund” for the purpose of receiving all revenues related to affordable housing programs and services and other appropriations from the general fund or other funds as approved or established by the City Council. The fund and any interest earned in the fund shall be for the specific use of those affordable housing programs and services or other professional services necessary to support the Community Partnership Department as determined by the City Council.

(Ord. 6308 §3, 07/16/2019)

Effective on: 7/30/2019

18.16.05.03 Revenue Sources for Community Housing Development Fund

The community housing development fund shall be funded through revenues derived from payments to the City as set forth in Section 18.16.05.09 Sales of Deed-Restricted Affordable Housing Units, from gifts or grants, and from appropriations from the general fund or other funds, as the City Council may from time-to-time establish or approve.

Effective on: 11/20/2018

18.16.05.04 Designation of Affordable Housing Developments

A. **Generally.** Before a design flexibility may be approved or an incentive granted pursuant to this Division, a proposed development must be designated as an affordable housing development by the City Council.

B. **Process.**

1. All applications for designation of a housing development as affordable shall be submitted to the Affordable Housing Commission for review and recommendation to the City Council.

2. The City Council shall review such applications and make the final determination to approve, approve with conditions, or deny such applications by resolution.

C. Limitations.

1. An application for designation of a housing development as affordable may not be combined with or include a request for exemption from a capital expansion fee or other fees.
2. A designation of a housing development as affordable does not guarantee a reduction or exemption of capital expansion fees or other fees by the City Council.

Effective on: 11/20/2018

18.16.05.05 Expedited Development Review for Affordable Housing Developments

The City shall process all applications for affordable housing developments on an expedited basis. Complete applications for affordable housing developments shall be placed ahead of all other complete applications in the review process. All required reviews of applications for affordable housing developments by City staff members and City boards and commissions shall be accomplished in as expeditious a manner as possible consistent with good planning principles.

Effective on: 11/20/2018

18.16.05.06 Dispersion of Affordable Housing Units

- A. Generally.** Where affordable housing units are part of a residential development also containing market-rate housing units, the Director shall review the Sketch Plat to ensure that the affordable housing units are, to the extent possible without creating practical difficulties, mixed with market-rate housing units, such that the affordable housing units are not clustered together or segregated from the market-rate housing units. The Director, in all instances, shall have the discretion to approve the final location and distribution of affordable housing units in the development on the final plat, provided that such locations are in substantial compliance with the approved Sketch Plat.
- B. Plat or Plan Annotation.**
1. All development plans for affordable housing developments or that include affordable housing units shall either provide an exhibit or indicate on a sketch subdivision plan which dwelling units shall be constructed as affordable housing units to ensure dispersal of the units within the development.
 2. For developments that will be subject to fee-simple ownership (*e.g.*, single-family detached dwelling units on platted lots), each lot upon which an affordable housing unit is to be constructed shall be designated on the Sketch Plat and Final Plat.
 3. For developments that will be subject to condominium ownership or offered for-rent (*e.g.*, multi-family housing), the Sketch Site Development Plan and Site Development Plan shall indicate the percentage of units within the development that shall be constructed as affordable housing units.
- C. Phasing.**
1. An affordable housing development may be developed in phases. For a phased development, each development plan shall indicate which dwelling units shall be constructed as affordable housing units. The Director, in all instances, shall have the discretion to approve the number and location of affordable housing units within a phased development so long as the required ratio of affordable housing units to the overall number of market-rate units is maintained for each phase of the development.
 2. The development agreement for the affordable housing development shall specify the required affordable housing ratio of affordable housing units to market-rate units to be maintained during construction of each phase of the development.
- D. Relocation of Units.** The Director shall also have the authority to approve administrative amendments to development plans changing the location of affordable housing units designated on a development plan for non-phased developments, provided that such locations are in substantial compliance with the planning commission's approval of the preliminary plat and with all other applicable provisions of this chapter.

Effective on: 11/20/2018

18.16.05.07 Deed Restriction for Affordable Housing Units Required

- A. **“For Sale” Units.** No certificate of occupancy shall be issued for any “for-sale” affordable dwelling unit or building containing at least one affordable dwelling unit, unless all of the following conditions are met:
1. The applicant provides documentation satisfactory to the Director that the building for which the certificate of occupancy is requested contains the required number of affordable housing units identified on the final plat or site development plan.
 2. For a single-family detached dwelling only, the contract household-buyer of such unit has been income-qualified for the purchase of such unit by the Community Partnership Administrator.
 3. A deed restriction or encumbrance, in a form approved by the City Attorney, is recorded against the subject property, that includes all of the following conditions:
 - a. The sale of the affordable housing unit(s) to any person or entity other than a qualifying household is prohibited.
 - b. The unit must be owner-occupied, and the rental of the property is prohibited.
 4. The required deed restriction also includes provisions stating:
 - a. It is the intent of the parties that the restriction shall constitute covenants, equitable servitudes, and/or liens that run with the land, and shall benefit and burden any personal representatives, successors, and assigns of the parties.
 - b. The deed restriction automatically expires:
 1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender’s successor or assign, by foreclosure or deed-in-lieu of foreclosure; or
 2. 20 years after the date of the initial purchase of the affordable housing unit by the initial qualifying household, provided there is no existing default under the deed restriction or encumbrance.
- B. **“For Rent” Units.** No certificate of occupancy shall be issued for any “rental” multiplex, multifamily, townhome, or duplex building containing an affordable housing unit(s), unless all of the following conditions are met:
1. The applicant provides documentation satisfactory to the Director that the building for which the certificate of occupancy is requested contains the required number of affordable housing units identified on the final plat or site development plan.
 2. A deed restriction or encumbrance, in a form approved by the City Attorney, is recorded against the property, that includes all of the following conditions:
 - a. The rental of the affordable housing units to any person(s) other than a qualifying household is prohibited; and
 - b. The conversion of the affordable housing units from “rental” units to “for-sale” units without the prior written approval of the City is prohibited.
 3. The required deed restriction also includes provisions stating:
 - a. It is the intent of the parties that the restriction shall constitute covenants, equitable servitudes, and / or liens that run with the land, and shall benefit and burden any personal representatives, successors, and assigns of the parties.
 - b. The deed restriction automatically expires:
 1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender’s successor or assign, by foreclosure or deed-in-lieu of foreclosure; or
 2. 50 years after the date on which a certificate of occupancy was first issued for the property, provided there is no existing default under the deed restriction or encumbrance.
- C. **“Not-For-Profit Facilities.”** No certificate of occupancy shall be issued for a not-for-profit or public facility building that meets the requirements of Section 18.16.01.03, Waiver of Fees, and that obtains a fee waiver pursuant to this Section unless a deed restriction or encumbrance has been placed on the property in a form approved by the city attorney, prohibiting the sale of the not-for-profit or public facility to any person or entity for a use that does not meet the requirements of Section 18.16.01.03, Waiver of Fees, for a period of 25 years from the date on which a certificate of occupancy was first issued for the property.
1. The deed restriction or encumbrance shall contain:

- a. A provision stating that it is the intent of the parties that the respective rights and obligations set forth in the deed restriction or encumbrance shall constitute covenants, equitable servitudes, and/or liens that run with the land and shall benefit and burden any personal representatives, successors, and assigns of the parties.
 - b. A provision indicating that it automatically expires:
 - 1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender's successor or assign, by foreclosure or deed-in-lieu of foreclosure; or
 - 2. 25 years after the date on which a certificate of occupancy was first issued for the property, provided there is no existing default under the deed restriction or encumbrance.
- D. **“Community Development Block Grant Recipients.”** No certificate of completion shall issue for any Community Development Block Grant bricks/mortar recipients, unless all of the following conditions are met:
- 1. A deed restriction or encumbrance, in a form approved by the City Attorney, is recorded against the property that includes all of the following conditions:
 - a. The restriction shall constitute covenants, equitable servitudes, and/or lien that run with the land, and shall benefit and burden any personal representatives, successors, and assigns of the parties.
 - b. The deed restriction automatically expires:
 - 1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender's successor or assign, by foreclosure or deed-in-lieu of foreclosure; or
 - 2. 5 years from the date on which the CDBG Recipient signs the City Contract accepting funds less than \$15,000; or
 - 3. 10 years from the date on which the CDBG Recipient signs the City Contract accepting funds or \$15,000 or greater and less than \$40,000; or
 - 4. 15 years from the date on which the CDBG Recipient signs the City Contract accepting funds of \$40,000 or greater and less than \$100,000; or
 - 5. 20 years from the date on which the CDBG Recipient signs the City Contract accepting funds of \$100,000 or greater.

(Ord. 6343 §1, 10/01/2019; Ord. 6404 §1, 07/21/2020)

Effective on: 8/4/2020

18.16.05.08 Development Fees for Affordable Housing

- A. **Generally.** Capital expansion fees, water rights requirements and fees, and any other fees imposed by the city upon an affordable housing development, whether for capital or other purposes (collectively, “development fees”), shall be calculated as of the date on which the City Council adopts a resolution designating the housing development as affordable (the “designation date”). The development fees calculated under this Section shall be valid for five years thereafter. At the end of the five-year period, the development fees shall be calculated each year thereafter on the basis of those development fees in effect five years prior. This adjustment shall continue each year until the last affordable housing unit within the affordable housing development receives a building permit, or the housing development loses its affordable designation in accordance with Subsection B. below.
- B. **Lapse of Designation.** Ten years after the designation date, the housing development shall lose its affordable designation unless at least one affordable housing unit within the housing development has received a certificate of occupancy, in which case the development fees shall continue to be calculated as set forth in Subsection A., above. Notwithstanding the foregoing, any developer that has not obtained a certificate of occupancy at the end of the ten-year period may request that the Affordable Housing Commission consider and make a recommendation to the City Council to extend the development’s affordable designation and the fee reduction provided for herein for good cause shown. Any such extension shall be set forth in a development agreement approved by resolution of the City Council.
- C. **Relationship to Standard Fees.** Notwithstanding anything herein to the contrary, the developer shall be entitled to pay the lower of the development fee in effect as of the designation date and the standard development fee in effect at the time such fees are paid.

D. **Waivers of Fees.** City Council may, by resolution, grant an exemption from all or part of the requirements of this UDC related to the payment of fees imposed by the City in accordance with Section 18.16.01.03, Waiver of Fees.

Effective on: 11/20/2018

18.16.05.09 Sales of Deed-Restricted Affordable Housing Units

- A. **Generally.** Every household-buyer of a deed-restricted affordable housing unit must be income-qualified by the Community Partnership Administrator.
- B. **Fees Recapture.** Within the deed-restriction period of a particular affordable housing unit, the owner of a deed-restricted affordable housing unit may only sell or transfer the unit to another income qualified household unless the City Council approves a hardship waiver of the requirements of this Section. The requirements of this Section shall not apply to the owner of an affordable housing unit with a deed restriction recorded prior to July 1, 2017 or to those deed restrictions that are related to or the subject of a development agreement executed between the City and a developer prior to July 1, 2017.
- C. **Deed Restriction Hardship Waiver and Payment Required.** The City Council may waive the requirement provided in subsection B., above, to allow the owner of a “for-sale” affordable housing unit to sell such unit to a household that does not meet the definition of a qualified household. Any requests for such deed restriction hardship waiver must be approved first by the Affordable Housing Commission. The Affordable Housing Commission’s denial of a waiver may be appealed to the City Council. A deed restriction hardship waiver granted by the City Council shall require the owner to pay the City the amounts set forth by applying the calculations in Table 18.16.05.09, Early Terminations Fee Recapture, below, except that in no instance shall the payment required exceed the owner’s amount of net proceeds from the sale of the affordable housing unit.

Table 18.16.05.09 Early Termination Fee Recapture	
Number of Years from the Original Sale¹	Amount of Waived Fees to be Returned to City
1	95%
2	90%
3	85%
4	80%
5	75%
6	70%
7	65%
8	60%
9	55%
10	50%
11	45%
12	40%
13	35%
14	30%
15	25%
16	20%
17	15%
18	10%
19	5%
20	0%

Table Note: ¹ Use standard rounding techniques to round to the nearest whole year.

Effective on: 11/20/2018

18.16.05.10 Use Tax Credit for Qualified Affordable Housing Units

- A. **Incentives Allowed.** An applicant who meets all of the applicable criteria set forth in this Section may receive, as a credit against any fees assessed by the City in connection with the construction of new qualified affordable housing

units within the City, or in connection with the reconstruction or remodel of an existing affordable housing unit within the City, a sum equal to the building materials use tax paid to the City in connection with the construction of such units.

- B. **Criteria to Receive Credit.** The credit shall be issued at the time a certificate of occupancy is issued for the building containing an affordable housing unit. In order to receive the use tax credit set forth in Subsection A., the applicant shall meet one of the following criteria:
1. For “for-sale” dwelling units, the applicant shall provide documentation satisfactory to the Director that the building for which the certificate of occupancy is requested contains the required number of affordable housing units identified on the final plat or site development plan.
 2. For “rental” dwelling units, the applicant shall provide documentation satisfactory to the Director and the City Attorney that the building containing affordable housing rental unit(s) is located in an affordable housing development and will provide affordable housing units to qualifying households for not less than fifty years.
- C. **Application.** Any person or entity that wishes to receive the incentive credit provided for in Subsection A., above, shall submit a completed use tax credit application to the Community Partnership Administrator. The application shall be accompanied by documentation in support of the criteria set forth in this Section. An application that fails to contain complete information and sufficient documentation to support the criteria set forth above shall not be considered. The completed application for the incentive credit shall be submitted and approved prior to issuance of a use tax credit and prior to issuance of a certificate of occupancy.

Effective on: 11/20/2018

18.16.05.11 Annual Review of Affordable Housing Ownership

Once each year, the Community Partnership Administrator shall obtain an ownership report concerning each “for-sale” affordable housing unit for which the City has issued a certificate of occupancy. In the event an affordable housing unit is owned or occupied by a person other than the initial qualifying household, the current owner of the affordable housing unit shall submit documentation to the Community Partnership Administrator verifying that the affordable housing unit is owned by a qualifying household and has not been rented. In the event the current owner fails to provide such information in a timely manner, or the information provided fails to support continuing compliance with the requirements set forth in this Division, the Community Partnership Administrator shall advise the current owner in writing that the payment set forth in Section 18.16.05.09 Sales of Deed-Restricted Affordable Housing Units, shall be paid to the City. If the current owner fails to pay the City within 30 days of the date any decision is made by the Community Partnership Administrator pursuant to this section, the City may institute appropriate legal proceedings to recover the amount owed. Any such funds recovered shall be placed in the affordable housing fund.

Effective on: 11/20/2018

LIENEE'S ACKNOWLEDGMENT

By execution its below, the Lienee [Owner/Buyer] acknowledges the granting of this Restriction on Conveyance of Property and agrees and acknowledges that any interest held by Lienee in the Property, is and will, at all times and in all respects, be wholly subordinate, inferior and subsequent in claim, right and time to the Restriction on Conveyance of Property granted herein. Notwithstanding Colorado Revised Statutes ("C.R.S.") Section 38-35-109, this subordination and priority will apply irrespective of any time or order of attachment or perfection of any security interest, irrespective of the time or order of filing any financing statements or grant of any security interest under any security agreement, irrespective of any automatic perfection or perfection by possession, and irrespective of any rule statute, law, or court decision to the contrary.

The Lienee further agrees that written notification of this Lien will be passed on to any subsequent purchaser of the property prior to the execution of final real estate documents transferring title on the property.

LIENEE: _____

By: _____

Date: _____

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, as _____ of _____

Witness my hand and official seal.

My commission expires: _____

Notary Public

LIENEE’S ACKNOWLEDGMENT

By execution its below, the Lienee/Buyer acknowledges the Restriction on Conveyance of Property and acknowledges that any interest held by Lienee in the Property, is and will, at all times and in all respects, be wholly subordinate, inferior and subsequent in claim, right and time to the Restriction on Conveyance of Property granted herein. Notwithstanding Colorado Revised Statutes ("C.R.S.") Section 38-35-109, this subordination and priority will apply irrespective of any time or order of attachment or perfection of any security interest, irrespective of the time or order of filing any financing statements or grant of any security interest under any security agreement, irrespective of any automatic perfection or perfection by possession, and irrespective of any rule statute, law, or court decision to the contrary. Lienee further acknowledges that this property may only be sold to a Qualified Buyer for a Qualified Price as defined by Loveland Municipal Code in effect at the time of the execution of this document. This document is to be recorded at the time of assumption of ownership of the property whose address is LOT , BLOCK , WILSON COMMONS FIRST SUB, LOV (20050091037); also known as _____, Loveland, Colorado 80538. Failure to record this document with the Larimer County Clerk and Recorder’s Office may result damages payable to the City by the Lienee.

LIENEE/OWNER: _____

By: _____

Date: _____

STATE OF COLORADO)
) ss.
 COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this _____ day of _____, 202_, by _____, as _____ of _____

Witness my hand and official seal.

My commission expires: _____

 Notary Public