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**MULTI-FAMILY HOUSING PRESERVATION AND REVITALIZATION
RESTRUCTURING PROGRAM (MPR)****RESTRICTIVE USE COVENANT**

WHEREAS, Pioneer Apartments, Inc. A Broadly Based Non-Profit Corporation, ^{430 Duane Dr. P.O. Box} 815, Spearfish, SD 57783 (Owner"), or a predecessor in interest, received a loan(s) from the United States of America, acting through the Rural Housing Service in Rural Development ("Agency"), United States Department of Agriculture which was evidenced by a Promissory Note dated April 24, 1975 in the original amount of \$750,000 and Promissory Note dated August 3, 1979 in the original amount of \$1,015,000 and secured by a certain Deed of Trust or Mortgage dated April 24, 1975 and August 3, 1979 respectfully and a Promissory Note dated September 1, 2011 in the original amount of \$750,000 and a Promissory Note dated September 1, 2011 in the original amount of \$80,158.00 and a Promissory Note dated September 1, 2011 in the original amount of \$62,207.19 and a Promissory Note dated September 1, 2011 in the original amount of \$2,634.81 and secured by a certain Deed of Trust or Mortgage dated September 1, 2011 and recorded on September 1, 2011, in the land records for the County of Campbell for the purpose of providing housing in accordance with section 515 Title V of the Housing Act of 1949, as amended ("Program"); and

WHEREAS, as a condition to and in consideration for the Owner's participation in the Rural Development's MPR Program, the Owner and the Agency entered into that certain Multi-Family Housing Preservation and Revitalization Restructuring Conditional Commitment dated June 15, 2009, as amended through the date hereof, pursuant to which the parties have agreed, among other things, to certain restrictions on the use of the property as more particularly described in Exhibit A ("Property") attached hereto and made a part hereof.

NOW, THEREFORE, in consideration of the restrictions on the Property, the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, for themselves and for their respective successors and assigns, hereby covenant and agree as follows:

1. Term. The period of restriction shall begin on September 1, 2011 and end on September 1, 2031 ("Term").

2. Use Requirement. The Owner, and any successors in interest, agree to use the Property in compliance with 42 U.S.C. § 1485 and 7 C.F.R part 3560, and any other applicable regulations and amendments, for the purpose of housing program eligible very low-, low-, or moderate-income tenants..

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 0575-0190. The time required to complete this information collection is estimated to average 1 hour 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.

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3. Enforcement. The Agency and program eligible tenants or applicants may enforce these restrictions so long as the Agency has not terminated the Restrictive Use Covenant pursuant to paragraph 8 below.

4. Displacement Prohibition. The Owner agrees not to refuse to lease a dwelling unit offered for rent, or otherwise discriminate in the terms of tenancy, solely because any tenant or prospective tenant is the recipient of housing assistance from the Agency or any other federal agency.

5. Capital Needs Assessment. The Agency periodically, but not more often than every five (5) years, may require the Owner to commission an updated 20-year capital needs assessment, in form and substance acceptable to the Agency. If the Agency accepts the capital needs assessment, the Agency shall approve its cost to be reimbursed from the Property's reserve account. If the Agency concludes that the monthly deposit to the reserve account should be adjusted based on the results of the capital needs assessment, the Agency shall require and the Owner agrees to make, such adjustment.

6. Owner's Responsibilities. The Owners agrees to: set rents, other charges, and conditions of occupancy in a manner to meet these restrictions; post an Agency approved notice of this restriction for the tenants of the property; to adhere to applicable local, state, and Federal laws; and to obtain Agency concurrence for any rental procedures that deviate from those approved at the time of prepayment, prior to implementation.

7. Civil Rights Requirements. The Owner will comply with the provisions of any applicable federal, state or local law prohibiting discrimination in housing on the basis of race, color, religion, sex, national origin, handicap or familial status, including but not limited to: Title VI of the Civil Rights Act of 1964 (Public Law 90-284, 82 Stat. 73), the Fair Housing Act, Executive Order 11063, and all requirements imposed by or pursuant to the Agency regulations implementing these authorities, including, but not limited to, 7 CFR 3560.104

8. Release of Obligation. The Owner will be released from these obligations before the termination period set in paragraph 1 only when the Agency determines that there is a no longer a need for the housing or that financial assistance provided the residents of the housing will no longer be provided due to no fault, action or lack of action on the part of the Owner.

9. Violations; the Agency's Remedies. If the Agency determines that the Owner has violated any of the terms of this covenant, including, but not limited to, failure to comply with any of the requirements imposed under this covenant, the Agency shall notify the Owner of its determination and the Owner shall have sixty (60) calendar days after receipt of such notification in which to cure the violation. Promptly following the expiration of the foregoing sixty (60) day period, the Agency shall re-inspect the Property and/or take other investigative steps as it deems necessary in order to ensure compliance. The failure to cure any violation to the Agency's satisfaction within such sixty (60) day

period shall constitute a non-monetary default under 7 CFR 3560.452, which may result in the acceleration of the section 515 mortgage that is held by the Agency and secured by the Property, and, the imposition of any other remedies, administrative actions and/or sanctions provided under or authorized by applicable law and regulations, including those provided under 7 CFR 3560.461 and 7 CFR 3560.456. The parties further agree that upon any default under this covenant, the Agency may apply to any court, state or federal, for specific performance of this Agreement, for an injunction against violation of this covenant or for such other equitable relief as may be appropriate, since the injury to the Agency arising from a violation under any of the terms of this covenant would be irreparable and the amount of damage would be difficult to ascertain.

10. Covenants to Run with Land. The Owner hereby subjects the Property to the covenants, reservations and restrictions set forth in this covenant. The Owner hereby declares its express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the successors in title to the Property throughout the Term. Each and every contract, deed, mortgage or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument. The Agency hereby agrees that, upon the request of the Owner made on or after the Term of this covenant, the Agency shall execute a recordable instrument approved by the Agency for purposes of releasing this covenant of record. All costs and expenses relating to the preparation and recording of such release shall be paid by the Owner.

11. Superiority. The document hereto constitutes a restrictive covenant that is filed of record, with all other Deeds of Trusts or Mortgages, and that, notwithstanding a foreclosure or transfer of title pursuant to any other instrument or agreement, the restrictive covenants and provisions hereunder shall remain in full force and effect.

12. Subsequent Modifications and Statutory Amendments. The Agency may implement modifications necessitated by any subsequent statutory amendment without the consent of any other party, including those having the right of enforcement, to require that any third party obtain prior the Agency approval for any enforcement action concerning preexisting or future violations of this covenant.

13. Other Agreements. The Owner represents and warrants that it has not and will not execute any other agreements with provisions contradictory or in opposition to the provisions of this covenant and that, in any event, the provisions of this covenant are paramount and controlling as to the rights and obligations set forth herein and supersede any other conflicting requirements.

14. Binding Effect. Upon conveyance of the Property during the Term, the Owner shall require its successor or assignee to assume its obligations under this

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covenant. In any event, this covenant shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and/or assigns.

15. Amendment. This covenant may not be modified except by an instrument in writing executed by each of the parties that are signatories hereto.

16. Severability. Notwithstanding anything herein contained, if any one or more of the provisions of this covenant shall for any reason whatsoever be held to be illegal, invalid or unenforceable in any respect, such illegality, invalidity or unenforceability shall not affect any other provision of this covenant, but this covenant shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

17. Headings. The headings and titles to the sections of this covenant are inserted for convenience only and shall not be deemed a part hereof nor affect the construction or interpretation of any provisions hereof.

18. Governing Law. This covenant shall be governed by all applicable federal laws.

19. Counterparts. This covenant may be executed in any number of counterparts, all of which counterparts shall be construed together and shall constitute but one covenant.

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IN WITNESS WHEREOF, the parties hereto have caused this Restrictive Use Covenant
to be executed and made effective as of ~~October~~ ^{September} 1, 2011.

PIONEER APARTMENTS, INC.,

BY: *Dan R. Price*
DAN R. PRICE, BOARD PRESIDENT

WITNESS/ATTEST:

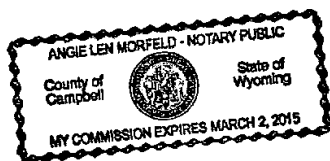
Donald A. Cole

ACKNOWLEDGEMENT

STATE OF WYOMING)
COUNTY OF CAMPBELL)

The foregoing instrument was acknowledged before me by ⁺DAN R. PRICE, BOARD
PRESIDENT of PIONEER APARTMENTS, INC., this 1st day of September, 2011.

WITNESS MY HAND AND OFFICIAL SEAL



My commission expires March 2, 2015

[Signature]
Angie Len Morfeld, Notary Public

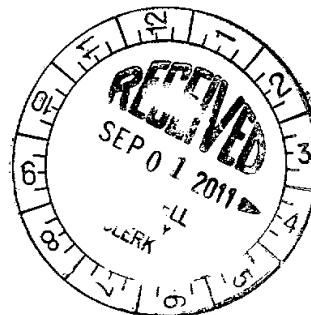
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EXHIBIT A
LEGAL DESCRIPTION

The above or foregoing Memorial Manor Second Resubdivision, the following described land or real estate, to wit:

Tracts 2A, 3A and 4A of the Memorial Manor Second Resubdivision Campbell County, Wyoming, according to the official plat thereof recorded December 22, 1988 in Book 5 of Plats, Page 101 of the records of Campbell County, Wyoming



960782 Recorded on 9/01/2011 at 4.24.00 Fee 23.00
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Susan F. Saunders, Campbell County Clerk by: A. CARTWRIGHT

RECORDED
ABSTRACTED
INDEXED
CHECKED