

When Recorded, Return to:
Oregon Housing & Community Services Department
725 Summer Street NE, Suite B
Salem, Oregon 97301-1266
Attn: Affordable Rental Housing Division

2024-010653
Klamath County, Oregon
12/09/2024 02:59:02 PM
Fee: \$152.00

SPACE ABOVE FOR RECORDER'S USE

**HOUSING AND COMMUNITY SERVICES DEPARTMENT
STATE OF OREGON**

**TRIPARTITE AGREEMENT, SUBORDINATION, AND DECLARATION OF
RESTRICTIVE COVENANTS**

THIS TRIPARTITE AGREEMENT, SUBORDINATION, AND DECLARATION OF RESTRICTIVE COVENANTS (this "**Agreement**") is made and entered into this 1st day of November, 2024 among Klamath Housing Authority, a public body corporate and politic duly formed and validly existing under the laws of the State of Oregon, ("**Lessor**"), EverFree Homes, LLC an Oregon limited liability company ("**Lessee**" or "**Owner**") and the State of Oregon, acting by and through its Housing and Community Services Department ("**OHCS**").

RECITALS

- A.** This Agreement is being executed to evidence and confirm the terms for OHCS' willingness to provide financial assistance for the new construction and related costs of a total of fifteen (15) residential units (including zero (0) manager unit(s)), of which fifteen (15) residential units will be for low-income and rent-restricted for low-income persons by Lessee on land held in fee title by the Lessor, pursuant to the terms set forth in documentation delivered to OHCS.
- B.** Lessor is the owner of certain real property described in Exhibit A, attached hereto (the "**Property**").
- C.** Lessee is the owner of a leasehold interest in the Property as described in Exhibit B attached hereto (the "**Leased Property**") pursuant to the Lease (as hereinafter defined).
- D.** Lessee, as Owner, is the owner of all improvements as well as other real and personal property on the Leased Property (collectively, the "**Improvements**"). The Property, the Leased Property, and the Improvements are collectively referred to herein as the "**Project**".
- E.** OHCS has or will provide financial assistance to Lessee for the Project pursuant to this Agreement and, among other things, the following document (collectively with this Agreement, the "**Grant Documents**"): (i) Grantee received a General Housing Account Program ("**GHAP**") conditional grant (the "**GHAP Grant**") from OHCS under that certain General Housing Account Program Grant Agreement and Declaration of Restrictive Covenants executed between Grantee and

OHCS dated 11/1_____, 2024 between Lessor and the Department and (ii) a General Housing Account Program Assignment and Assumption Agreement and Declaration of Restrictive Covenants, dated 11/1_____, 2024 (the “**GHAP Assignment**”) among Lessor, Lessee, and the Department. The GHAP Grant and the GHAP Assignment are referred to collectively as the “**GHAP Documents**.”

F. The Grant Documents include contractual covenants in favor of OHCS with respect to use of the financial assistance described therein and the use and operation of the Project. The recorded Grant Documents further create and constitute restrictive covenants (pursuant, among other things, to ORS 456.625) and equitable servitudes by Lessee in favor of OHCS encumbering the Project, running with the land of the Leased Property and governing, among other things, the operation and use of the Project.

G. Lessee has leased the Property and will operate the Project pursuant to a sixty-five (65) -year Ground Lease executed between Lessee and Lessor, on or about October 31, 2024 (collectively, the “**Lease**”).

H. This Agreement will be recorded at Lessee’s expense in the official records of Klamath County, State of Oregon, in order, among other things, to create and constitute certain restrictive covenants (pursuant, among other things, to ORS 456.625) and equitable servitudes by Lessor and Lessee in favor of OHCS encumbering the Project, running with the land of the Project, and governing, among other things, the operation and use of the Project.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including the mutual covenants and agreements of the parties herein contained, the parties agree as follows:

1. Definitions; Incorporation.

a. **Definitions.** Capitalized terms used herein without definition have the meaning ascribed to such term in the Grant Agreement, unless the context clearly requires otherwise.

b. **Incorporation.** The foregoing recitals and exhibit(s) are incorporated into this Agreement by reference to the same extent and with the same force and effect as if fully set forth herein, provided, however, that the incorporated items do not modify the express provisions of this Agreement.

2. **Amendment of Lease.** The Lease shall be, and is hereby, amended to incorporate by reference this Agreement. Except as provided herein, this Agreement, including but not limited to the Financing Documents and any rights, obligations, restrictive covenants, equitable servitudes, or other encumbrances created by or arising under this Agreement or such Financing Documents, shall survive any foreclosure of the leasehold interest described in the Lease or other termination of the Lease itself.

3. **Approval of Lease; Amendments.** The Lease, as amended and subordinated in Section 2 hereof, is approved by OHCS. Any further amendments of the Lease require the written approval of OHCS, which approval will not unreasonably be withheld or delayed.

4. **Non-Termination of Lease; Approval of Project Management.** Neither Lessor nor Lessee may terminate the Lease or exercise any remedy thereunder without the prior written approval of OHCS. Except as provided in Section 14 below, any change in Lessee or change with respect to the management of the Project also shall require the prior written approval of OHCS. OHCS may condition its approval upon such terms or other requirements as it may determine in its sole discretion.

5. **Timely Performance; Lease Default.** Lessor and Lessee shall perform their obligations under the Lease in a timely and appropriate manner. Any default or material failure to perform under the Lease shall constitute a breach of this Agreement (including incorporated Financing Documents) for which OHCS, at its discretion, may exercise any or all remedies provided herein, in the other Financing documents, or otherwise available at law.

6. **Assumption of Financing Documents Obligations.** In the event that Lessor terminates the Lease or exercises its rights under the Lease so that Lessee or its successors are prevented from performing their obligations under the Financing Documents, Lessor will automatically (and without further action by the parties) assume, and be deemed to have assumed, all of Lessee's covenants, commitments and obligations to OHCS undertaken in the Financing Documents other than the obligation in such Financing Documents to repay assistance provided thereunder in the event of default. Additionally, in the event that Lessor shall have exercised its rights under the Lease to appoint a receiver for the Project, to manage the Project otherwise through an agent, or to appropriately change the Lessee, OHCS will look to such receiver, agent or changed Lessee for performance of Financing Documents obligations, which such receiver, agent or changed Lessee will be obligated (and will be deemed obligated) to perform.

7. **Creation of Restrictive Covenants and Equitable Servitudes with Respect to the Project.**

a. **Inducement.** Lessor and Lessee represent and warrant that OHCS' consent to the Lease and agreement to provide the assistance described in the Financing Documents is an inducement to Lessor to lease the Property to Lessee and to Lessee to construct and operate the Project in accordance with this Agreement. In consideration of such consent and assistance, Lessor and Lessee have entered into this Agreement and have agreed to restrict the uses to which the Project can be put, and the manner in which it must be operated, on the terms and conditions set forth herein, including but not limited to the Financing Documents. Accordingly, Lessor and Lessee covenant, agree, and acknowledge that OHCS has relied on this Agreement in determining to consent to the Lease and to the provision of assistance to Lessee for the Project.

b. **Restrictive Covenants and Equitable Servitudes** Lessor intends, declares, and covenants, on behalf of itself and all future owners and operators of the Property and its contingent interest in the Improvements, and Lessee intends, declares, and covenants, on behalf of itself and all future owners and operators of the Leased Property and Improvements, that the covenants, reservations, restrictions and equitable servitudes set forth in the Financing Documents regulating and restricting, inter alia, the use, occupancy, maintenance, repair and transfer of the Project (1) shall be and are restrictive covenants governing the Project and running with the Property and Leased Property of the Project, and do further constitute equitable servitudes governing the Project and running with the Property and Leased Property of the Project, all in favor of OHCS, do encumber the Project subject to their respective provisions for an aggregate sixty (60) years from the date that the first building in the Project is placed in service or until December 31, 2085, whichever is

later (the “**Affordability Period**”), are binding upon the Lessor’s and Lessee’s successors in title and all subsequent owners and operators of the Project, (2) are not merely personal covenants of the Lessor or Lessee, (3) shall bind the Lessor, the Lessee, and their successors and assigns, and (4) shall inure to the benefit of OHCS. Notwithstanding the foregoing, OHCS may, at its sole discretion, extend the Affordability Periods of the respective Financing Documents, as well as this Affordability Period, for periods of time matching corresponding periods of time during which OHCS determines the Lessor or Lessee to be in material noncompliance with any of the terms of this Agreement (including the incorporated Financing Documents).

- c. The Lessor and Lessee hereby agree that any and all Oregon state law requirements for the provisions of this Agreement to constitute covenants running with the Property of the Project or to constitute equitable servitudes running with the Property of the Project in favor of OHCS, will be deemed satisfied in full. Except for the lease of individual rental units of the Project in compliance with the terms of the Financing Documents or as provided herein, no transfer of any interest in the Project, Owner, or Lessor will be valid without the prior written consent of OHCS, except where the Financing Documents do not require consent to certain transfers described therein.
- d. For the duration of the restrictive covenants and equitable servitudes created hereunder (including throughout the Affordability Period or as any may be extended), each and every contract, deed or other instrument hereafter executed conveying the Project or any portion thereof shall expressly provide that such conveyance is subject to this Agreement and such restrictive covenants and equitable servitudes, provided, however, the covenants and equitable servitudes contained or created herein shall survive and be effective regardless of whether such contract, deed, or other instrument hereafter executed conveying the Project (or any portion thereof) provides that such conveyance is subject to this Agreement and the restrictive covenants and equitable servitudes contained or created herein.
- e. Lessor and Lessee covenant and agree that the consent of any recorded prior lien holder with respect to any interest in the Project is not required in connection with recording this Agreement, or if required, such consent has been or will be obtained by the Lessor or Lessee, as applicable.

8. Burden and Benefit.

- a. Lessor and Lessee hereby respectively declare their understanding and intent that the burdens of the covenants, reservations, restrictions and equitable servitudes set forth herein touch and concern the Project and that their respective legal interest in the Project is rendered less valuable thereby.
- b. Lessor and Lessee hereby further respectively declare their understanding and intent that the benefits of such covenants, reservations, restrictions and equitable servitudes touch and concern the Project by facilitating the public policy and programs of OHCS and by enhancing and increasing the enjoyment and use of the Project by intended tenants.

9. Cooperation. Lessor and Lessee shall take all reasonable action to facilitate their individual and collective compliance with the Lease, the Financing Documents, and this Agreement, including but not limited to the execution and recording of such other instruments and documents as OHCS may require.

10. No Assignment or Encumbrance of Project. With the exception of security interests and encumbrances consented to by the OHCS in the Priority and Subordination Agreement of about even date herewith with respect to the Project and contemporaneous security interests and encumbrances granted by Lessor with respect to the Property and similar security interests and encumbrances granted by the Lessor in connection with re-financings of the Property, neither Lessee nor Lessor shall assign or encumber any interest in the Project except in conformance with transfer provisions set forth in the Financing Documents and this Agreement without the prior written consent of OHCS.

11. Indemnity. Subject to applicable limitations in the Oregon Constitution and the Oregon Tort Claims Act, Lessee and Lessor jointly and severally shall save, hold harmless, indemnify and (subject to ORS chapter 180) defend the State of Oregon, OHCS, and their officers, agents, employees, members and assigns, from all suits, actions, claims, losses or damages of whatsoever nature, kind or description related to the Project, the Lease, the Financing Documents (including this Agreement), or resulting from or arising out of their acts, omissions, neglect or misconduct, or of any of their subcontractors, agents, or employees, whether under this Agreement (including, but not limited to the Financing Documents), the Lease, or otherwise related to the Project.

12. Remedies.

- a. Deficiencies.** OHCS may, from time to time, identify and direct Owner (or Lessor, if applicable) to correct deficiencies in its compliance with this Agreement (including all Financing Documents), which Owner (or Lessor) shall correct as directed.
- b. Required Training.** OHCS may require Owner (or Lessor, if applicable), its owners, principals, officers, employees, and agents to undertake training, at Owner's (or Lessor's, if applicable) expense, as directed by OHCS.
- c. Extension of Affordability Period.** OHCS may by written notice extend the Affordability Period described in this Agreement (including in any Financing Document) for periods of time matching corresponding periods of time during which OHCS determines the Owner to be in material noncompliance with any of the terms of this Agreement (including any of the Financing Documents).
- d. Additional Remedies.** If the Owner or Lessor defaults in the performance or observance of any covenant, agreement or obligation set forth in this Agreement (including correction of deficiencies), and if such default remains uncured by Owner or Lessor for a period of thirty (30) days or less (depending upon the requirements of the notice, lesser notice periods being reserved for matters that OHCS determines relate to material health or safety needs of Project occupants) after notice thereof shall have been given by OHCS, or if such default runs for a period of thirty (30) days from the date the Owner or Lessor should, with due diligence, have discovered such default, then OHCS may declare an "Event of Default" to have occurred hereunder provided, however, if a default is not reasonably capable of being cured within thirty days or any lesser notice period provided by OHCS, OHCS may, in its sole discretion, extend the correction period for up to six (6) months, but only if OHCS determines there is good cause for granting the extension; and provided further, however, in the event of a foreclosure, deed in lieu of foreclosure, or similar event with respect to the Project, the Leased Property, or the Property, the correction

period for the successor for an existing default shall be no less than thirty (30) days from the earlier of the date the successor obtains control or becomes the owner of the Project or Property. To the extent that the default is not corrected within the above-described period including extensions, if any, granted by OHCS, an Event of Default shall be deemed to occur and OHCS may exercise its rights and remedies under this Section. Following the occurrence of an Event of Default hereunder OHCS may, at its option, take any one or more of the following steps (except that itemized remedies (2), (4), (5), and (8) always must be preceded by notice of default to the Investor in accordance with this subsection while Investor is a member of Owner), in addition to all other remedies provided in this Agreement, by law, or in equity:

- i. Report such noncompliance to the IRS;
- ii. Effect removal of the Project from the Low Income Housing Tax Credit ("LIHTC") program, which removal may result in recapture of the LIHTC by the IRS;
- iii. By mandamus or other suit, action or proceeding at law or in equity, require Owner or Lessor, as applicable, specifically to perform its obligations under this Agreement, including the Financing Documents, or enjoin any acts or things that may be unlawful, inconsistent with this Agreement, or in violation of Owner's or Lessor's obligations or OHCS' rights under this Agreement;
- iv. Obtain the appointment of a receiver to operate the Project in compliance with this Agreement;
- v. Require a change in the General Partner or Managing Member of Owner to OHCS' satisfaction and, for the duration (respectively) of Investor's involvement in Owner or the Primary Lender's Loan, reasonably satisfactory to Investor and Primary Lender;
- vi. Require termination of any Management Agent and its replacement to OHCS' satisfaction;
- vii. Require Owner to cease management of the Project and to engage a Management Agent acceptable to OHCS;
- viii. Withhold from Owner, suspend, terminate, or (upon 30-days written demand) require the repayment of all or any part of other funding assistance provided by OHCS to Owner with respect to the Project;
- ix. Declare Owner, Lessor, or any member of either, ineligible to receive further LIHTC or other OHCS funding assistance, including with respect to other projects or requests for same, for such period as OHCS determines in its sole discretion;
- x. Have access to, and inspect, examine and make copies of, all of the books and records of Owner and Lessor pertaining to the Project and to inspect the Project itself;

- xii. Exercise of such other remedies as permitted or authorized under this Agreement, by law, or in equity.
 - e. **Survival of Remedies; Remedies Not Exclusive.** The rights and remedies of OHCS provided for in this Agreement, which by their nature are intended to survive termination of this Agreement, shall survive the termination of the Affordability Period and of this Agreement. Furthermore, such remedies shall not be exclusive and are in addition to any other rights and remedies available at law, in equity or otherwise. No failure of or delay by OHCS to enforce any provision of this Agreement shall constitute a waiver by OHCS of that or any other provision, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.
13. **Miscellaneous.**
- a. **Governing Law; Venue: Consent to Jurisdiction.** This Agreement shall be governed by the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") among two or more of the parties related to this Agreement shall be conducted exclusively within the Circuit Court of Marion County, Oregon (unless Oregon law requires that it be brought and conducted where the Project is located) or, if necessary, the United States District Court for the District of Oregon. In no event shall this provision be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. LESSEE AND LESSOR, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENT TO THE IN PERSONAM JURISDICTION OF SAID COURTS.
 - b. **No Waiver.** No waiver, amendment, modification, or termination of this Agreement or any provision hereof shall be effective unless all applicable requirements have been satisfied and the amendment, modification, or termination is in writing and signed by the parties hereto except as otherwise provided herein.
 - c. **Severability.** In the event that any term, covenant or condition of this Agreement shall be finally determined by a court of competent jurisdiction to be invalid, the term, covenant or condition so determined to be invalid is hereby declared servable and shall not affect the validity of the remaining portions of this agreement.
 - d. **Time of the Essence.** Time is of the essence in the performance of this Agreement.

13. Miscellaneous.

- a. **Governing Law; Venue: Consent to Jurisdiction.** This Agreement shall be governed by the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") among two or more of the parties related to this Agreement shall be conducted exclusively within the Circuit Court of Marion County, Oregon (unless Oregon law requires that it be brought and conducted where the Project is located) or, if necessary, the United States District Court for the District of Oregon. In no event shall this provision be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. LESSEE AND LESSOR, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENT TO THE IN PERSONAM JURISDICTION OF SAID COURTS.
- b. **No Waiver.** No waiver, amendment, modification, or termination of this Agreement or any provision hereof shall be effective unless all applicable requirements have been satisfied and the amendment, modification, or termination is in writing and signed by the parties hereto except as otherwise provided herein.
- c. **Severability.** In the event that any term, covenant or condition of this Agreement shall be finally determined by a court of competent jurisdiction to be invalid; the term, covenant or condition so determined to be invalid is hereby declared servable and shall not affect the validity of the remaining portions of this agreement.
- d. **Time of the Essence.** Time is of the essence in the performance of this Agreement.

- e. **Ambiguities.** The parties to this Agreement acknowledge that each party and its counsel have participated in the drafting and revision of this Agreement. Accordingly, the parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment, modification, supplementation, or restatement of the foregoing or of any exhibit to this Agreement.
- f. **Governmental Powers.** Nothing in this Agreement, the Lease or in the Financing Documents is intended, nor shall it be construed, to in any way limit the actions of OHCS in the exercise of its governmental powers. It is the express intention of the parties hereto that OHCS shall retain the full right and ability to exercise its governmental powers with respect to the Lessor, the Lessee, the Lease, the Project, and the transactions contemplated by this Agreement, the Lease, or the Financing Documents to the same extent as if it were not a party to this Agreement or to the Financing Documents, or Assignee of Lessor's interests under the Lease, and in no event shall OHCS have any liability in contract arising under this Agreement, under the Lease, or under the Financing Documents by virtue of any exercise of its governmental powers.
- g. **Remedies Not Exclusive.** The rights and remedies of OHCS provided for in this Agreement shall not be exclusive and are in addition to any other rights and remedies available at law, in equity or otherwise. No failure of or delay by OHCS to enforce any provision of this Agreement shall constitute a waiver by OHCS of that or any other provision, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.
- h. **No Third Party Beneficiaries.** OHCS, Lessor and Lessee are the only parties to this Agreement and are the only parties entitled to rely on and enforce the terms of this Agreement. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly indirectly or otherwise, to third persons unless such third persons are individually identified by name in this Agreement and expressly described as intended beneficiaries of the terms of this Agreement. OHCS expressly reserves the right and ability to waive, modify, toll, and release any and all restrictive covenants and equitable servitudes created hereunder or under any of the Financing Documents.
- i. **Notices.** All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

OHCS: Oregon Housing and Community Services Department
Attn: Asset Management and Compliance Section
725 Summer Street N.E., Suite B
Salem, Oregon 97301-1266

LESSEE: Everfree Homes, LLC
c/o BB Development, LLC
4223 Venture Court
Klamath Falls, Oregon 97601

LESSOR:

Klamath Housing Authority
1445 Avalon Street
Klamath Falls, Oregon 97603

The parties, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

- j. **Attorney Fees.** In the event a lawsuit is instituted regarding this Agreement, the prevailing party in any dispute arising under this Agreement shall, to the extent permitted by law, be entitled to recover from the other its reasonable attorney fees and all costs and disbursements incurred at trial and on appeal. Notwithstanding any other provision in this Agreement or incorporated documents, reasonable fees shall not exceed the rate charged OHCS by its attorneys. Third-party beneficiaries are neither entitled to recovery of attorney fees, costs, or disbursements under this provision nor are parties hereto entitled to recovery of attorney fees, costs, or disbursements from third-parties hereto under this provision.
- k. **Merger.** This Agreement, including incorporations and exhibits, constitutes the entire agreement between the parties on the subject matter hereof. No modification or amendment of this Agreement shall bind either party unless in writing and signed by both parties (and the necessary approvals obtained), and no waiver or consent shall be effective unless signed by the party against whom such waiver or consent is asserted. Such waiver or consent, if given, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement.

14. Judicial or Non-judicial Foreclosure; Subordination to Construction and Permanent Lender. Notwithstanding any other provision of this Agreement, in the event the Property or Leased Property's primary construction or primary permanent mortgage lenders, their successors and assigns or designees, lawfully acquires title, respectively, to the Property or Leased Property of the Project, including (as applicable) the Improvements through judicial or non-judicial foreclosure or deed in lieu of judicial or non-judicial foreclosure, then (i) neither such lender, its successors, assigns, or designees nor any subsequent purchaser of, respectively, the Property or Leased Property following such a judicial or non-judicial foreclosure or deed in lieu of judicial or non-judicial foreclosure shall be deemed a "**successor or assign**" of Lessee or Lessor, or a "**successor in title**" to Lessee or Lessor, or a "subsequent owner and operator of the Project" after Lessee or Lessor for purposes of this Agreement, and (ii) the consent of OHCS shall not be required with respect to any such change in ownership or operation of the Project occasioned by such judicial or non-judicial foreclosure, deed in lieu of judicial or non-judicial foreclosure, or subsequent sale, respectively, of the Property or Leased Property, including (as applicable) the Improvements, and (iii) all conditions and restrictions contained in this Agreement shall terminate with

respect to such interest in the Project on the date, if any, that the Property or Leased Property, including (as applicable) the Improvements are so acquired by judicial or non-judicial foreclosure or deed in lieu of judicial or non-judicial foreclosure. Notwithstanding the foregoing, IRC and Financing Documents rent limitations shall continue with respect to the Project for a period of three (3) years following any termination of the Affordability Period pursuant to the procedures specified above. During such three (3) year period, the owner of the Property or Leased Property shall not evict or terminate the tenancy of an existing tenant of any of the Qualified Units under any of the Financing Documents (including this Agreement) other than for good cause and shall not increase gross rents above the maximum allowed under the Financing Documents, including as amended, with respect to such Qualified Units. Furthermore, and notwithstanding the foregoing, the restrictive covenants applicable to the Project under the Financing Documents (including this Agreement) shall be deemed reinstated with their priority in the title records of the applicable county if, during the Affordability Period described in this Agreement, title to the Project, or any part thereof, is subsequently acquired by a "**Related Person**" as that term is described in IRC Section 42.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the Effective Date.

LESSOR:

Tax ID: 93-0637235

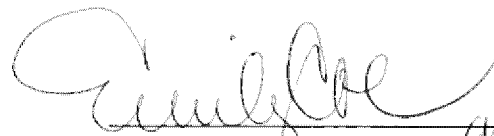
Klamath Housing Authority


By: Diana Otero, Development Director

STATE OF Oregon
County of Klamath : ss


The foregoing instrument was acknowledged before me this 26 day of November, 2024 by Diana Otero, Development Director of Klamath Housing Authority, a quasi-governmental agency, who executed the foregoing instrument for and on behalf of Grantee.




NOTARY PUBLIC FOR Oregon
My Commission Expires: 9/27/2025

LESSEE:

EverFree Homes, LLC
an Oregon limited liability company
Tax ID: 93-4886174


By: Matthew Bogatay, Managing Member

STATE OF Oregon)
County of Klamath) : ss

The foregoing instrument was acknowledged before me this 26 day of November, 2024 by Matthew Bogatay, Managing Member, EverFree Homes, LLC., a limited liability company who executed the foregoing instrument for and on behalf of Grantee.





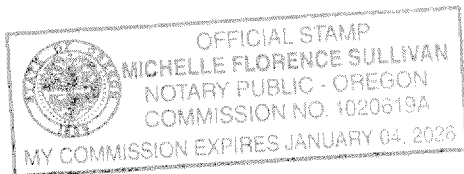
OHCS:

STATE OF OREGON, acting by and through its
Housing and Community Services Department

By: Roberto Franco
Roberto Franco, Deputy Director of Development
Affordable Rental Housing Division

STATE OF OREGON)
 : ss
COUNTY OF MARION)

The foregoing instrument was acknowledged before me this 25th day of November, 2024, by Roberto Franco, Deputy Director of Development, Affordable Rental Housing Division on behalf of the State of Oregon, acting by and through its Housing and Community Services Department (OHCS).



Michelle Sullivan
Notary Public for the State of Oregon
My Commission Expires: 1/4/2026

EXHIBIT A

An area of land in the Northeast Quarter of Section 14, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon. Being more particularly described as follows:

Parcel 1 of Land Partition 6-24, being a replat of Parcel 3 of Land Partition 15-23.

EXHIBIT B

(Leased Property Description)

Lessor is the owner of that certain land located in Klamath County, Oregon and more particularly described on Exhibit A (the "Property") attached hereto and incorporated herein.

The Property together with any easements and appurtenances, but exclusive of any improvements on the Property is referred to in the Lease Agreement as the "Premises."

Lessee desires to lease, and Lessor is willing to lease the Premises, pursuant to the terms and conditions of this Lease.

Lessee intends to construct 15 apartment units (the "***Project***") on the Premises for use as a low-income veteran's housing project