

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS (the "**Agreement**") is entered into this ____ day of _____, 20__ (the "Effective Date") by and between _____, individuals with an address of _____ (collectively, the "**Owner**"), and CENTRAL ADIRONDACK PARTNERSHIP FOR THE 21st CENTURY INC. (d/b/a LivingADK), a New York not-for-profit corporation with an address of P.O. Box 642, 108 Codling Street, Old Forge, New York 13420 ("**Agency**") (each individually a "**Party**" and collectively the "**Parties**").

WHEREAS, in exchange for certain consideration as set forth in that certain Home Restriction Purchase Agreement dated of even date herewith (the "**Purchase Agreement**"), Owner desires to place certain restrictions on the use of the Property (as defined herein) for the benefit of the Agency by requiring occupancy of the Property by at least one Qualified Resident (as defined herein).

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. Property. The following real property (the "**Property**") is hereby burdened with the covenants and restrictions specified in this Agreement: _____, as more particularly described in **Exhibit A**.

2. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

a. Person means a natural person, and excludes any type of entity.

b. Principal Place of Residence means the home or place in which one's habitation is fixed and to which one has a present intention of returning after a departure or absence therefrom.

c. Qualified Household means one Qualified Resident or a group of persons that contains at least one Qualified Resident. A Qualified Household may have occupants that are not Qualified Residents as long as at least one occupant is a Qualified Resident.

d. Qualified Resident means a Person who has his or her Principal Place of Residence at the Property.

3. Occupancy Restrictions.

a. At least one Qualified Resident shall continuously occupy the Property as his or her Principal Place of Residence.

b. No business activity shall occur on or in such Property, other than as permitted within the zoning district applicable to the Property.

4. Verification. Upon the Agency's written request, Owner shall submit a written statement to the Agency certifying that the following information is true and correct:

a. Evidence to establish that the Property is currently occupied and has continuously been occupied by a Qualified Household;

b. Copies of any leases currently used for the Property; and

c. If applicable, a list of tenants who occupied the Property in the prior calendar year and evidence submitted by each tenant to establish that they were a Qualified Resident.

5. Rental.

a. Owner shall not rent the Property to any person or persons for a term shorter than one (1) year.

b. A Qualified Resident may lease a room or rooms in the Property to one or more persons, provided that the Qualified Resident still continuously occupies the Property as his or her principal place of residence. The term of all leases shall be no less than one (1) year in duration.

6. Breach.

a. It is a breach of this Agreement for Owner to violate any provision of this Agreement. Owner shall notify the Agency, in writing, of any notification received from any lender of past due payments or defaults in payments or other obligations within 5 days of receipt.

b. If the Agency has reasonable cause to believe Owner is in violation of this Agreement, the Agency may inspect the Property between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing Owner with 24 hours advance written notice. This Agreement shall constitute Owner's irrevocable consent to enter upon the Property during such times upon such notice.

7. Remedies.

a. The Agency shall have any and all remedies provided by law and in equity for a violation of this Agreement, including without limitation: (i) damages; (ii) specific performance; and (iii) injunctions, including without limitation an injunction requiring eviction of the occupant(s) and an injunction to prohibit the occupancy of the Property in violation of this Agreement. All remedies shall be cumulative.

b. The cost to the Agency of any activity taken in response to any violation of this Agreement, including reasonable attorney fees, shall be paid promptly by Owner.

c. In the event the Owner is in default under the terms of this Agreement, the Owner shall forfeit the Purchase Price (as such term is defined in the Purchase Agreement), and shall immediately pay an amount equal to the original Purchase Price plus penalties to the Agency.

8. Miscellaneous.

a. Modification. This Agreement may only be amended, modified or terminated by subsequent written agreement of the Parties.

b. Integration. This Agreement and any attached exhibits constitute the entire agreement between Owner and the Agency, superseding any and all prior oral or written communications.

c. Runs with the Land. The benefits and obligations of the Parties under this Agreement shall run with the land, and Owner's obligations hereunder shall be binding on any subsequent holder of an ownership interest in the Property. The Owner and any successors in interest shall inform the Agency of any change in ownership of the Property

d. Severability. If any provision of this Agreement is determined to be void by a court of competent jurisdiction, such determination shall not affect any other provision hereof, and all of the other provisions shall remain in full force and effect.

e. Governing Law and Venue. This Agreement shall be governed by the laws of the State of New York, and any legal action concerning the provisions hereof shall be brought in Herkimer County, New York.

f. Assignment. There shall be no transfer or assignment of any of the rights or obligations of Owner under this Agreement without the prior written approval of the Agency.

g. Third Parties. There are no intended third-party beneficiaries to this Agreement.

h. No Joint Venture. Notwithstanding any provision hereof, the Agency shall never be a joint venture in any private entity or activity which participates in this Agreement, and the Agency shall never be liable or responsible for any debt or obligation of any participant in this Agreement.

i. Notice. Any notice under this Agreement shall be in writing, and shall be deemed sufficient when directly presented or sent pre-paid, first class United States Mail to the Party at the address set forth on the first page of this Agreement.

j. Recording. This Agreement shall be promptly recorded in the [_____] County Clerk's Office at Owner's sole cost and expense.

k. Tax Matters. The funds the Owners receive under the terms of the Purchase Agreement will be reported to the Internal Revenue Service on Form 1099 for the year so received. The Owners should discuss with their tax advisor or legal counsel how to treat the funds on the Owners' tax returns and how the funds affect Owners' tax basis in the Property subject to this Agreement. The Parties acknowledge the Agency has made no current or past representations or warranties with respect to the proper tax treatment of the funds. The Owners hereby acknowledge and agree that the Agency has made no statements about, and bears no responsibility for, any tax consequences related to the receipt of the funds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

DECLARANT:

Name:

[_____
Name:]

AGENCY:

CENTRAL ADIRONDACK PARTNERSHIP FOR
THE 21ST CENTURE INC.

By: _____
Name:
Title:

STATE OF NEW YORK)
) SS:
COUNTY OF _____)

On the ____ day of _____, 20__, before me, the undersigned, a Notary Public in and or said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instruments.

Notary Public

STATE OF NEW YORK)
) SS:
COUNTY OF _____)

On the ____ day of _____, 20__, before me, the undersigned, a Notary Public in and or said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instruments.

Notary Public

**EXHIBIT A
LEGAL DESCRIPTION**

Summary Report	
Title	compareDocs Comparison Results
Date & Time	10/21/2022 11:07:35 AM
Comparison Time	0.29 seconds
compareDocs version	v4.3.600.4

Sources	
Original Document	[#8751792.DOCX] [v2] Declaration of Restrictive Covenants.DOCX
Modified Document	[#8751792.DOCX] [v3] Declaration of Restrictive Covenants.DOCX

Comparison Statistics	
Insertions	1
Deletions	0
Changes	1
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	2

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
Deletions	
<u>Moves</u> / Moves	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after saving	General	Always
Report Type	Word	TrackChanges
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	True
Flatten Field Codes	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	[Yes / No]
Summary Report	Word	End
Detail Report	Word	Separate (View Only)
Document View	Word	Print
Remove Personal Information	Word	False