

**AGENDA
OURAY CITY COUNCIL**

Monday, April 14, 2025 - 6:00 PM

**Ouray Community Center
320 6th Ave
Ouray, CO 81427**

VIRTUAL OPTION - <https://zoom.us/j/9349389230>

Meeting ID: 934 938 9230 Passcode: 491878 Or dial: 408 638 0968 or 669 900 6833

Ouray City Council Work Session

- Changes to this agenda can be found on the bulletin board at City Hall
- Electronic copies of the Council Packet are available on the City website at www.cityofouray.com. A hard copy of the Packet is also available at the Administrative Office for interested citizens.
- Notice is hereby given that a majority or quorum of the Planning Commission, Ouray Economic Development Committee, Beautification Committee, Tourism Advisory Committee, Main Streets Committee, and/or Parks and Recreation Committee may be present at the above noticed City Council meeting to discuss any or all of the matters on the agenda below for Council consideration

1. CALL TO ORDER
2. DISCUSSION ITEM
 - a. Swiss Village Affordable Housing

This Form Has Important Legal Consequences and the Parties Should Consult Legal Counsel Before Signing

DEED RESTRICTION AND COVENANT AGREEMENT
FOR [INSERT STREET ADDRESS]
City of Ouray
Affordable Housing Ownership and Occupancy

THIS DEED RESTRICTION AND COVENANT AGREEMENT is entered into this ____ day of _____, 20__ (“Effective Date”) between **SWISS VILLAGE COOPERATIVE, INC.** a Colorado cooperative, _____, (“Grantor” or “Owner”), and the **CITY OF OURAY**, a Colorado home rule municipal corporation with its principal place of business being 320 6th Ave, Ouray, Colorado, 81427, (“Grantee”).

Property Subject to Deed Restriction. The following real property (the “Restricted Property”) is hereby subject to these Covenants:

(INSERT LEGAL HERE)
County of Ouray
State of Colorado.

Commonly known as **1500 OAK STREET, UNITS 1-21, OURAY, COLORADO, 81427**

This Restricted Property has a maximum rental charge based upon an AMI RENT CALCULATION of \$ _____ per month¹.

RECITALS

WHEREAS the Grantor is the Owner of the Restricted Property but not the twenty-one (21) mobile home units located thereon which are owned individually by Patrons who all have voting rights in Grantor; and

WHEREAS, the Grantor, and any heirs, executors, administrators, representatives, successors, and assigns, and Patrons and Nonpatron members of Grantor desires and agrees to comply with this **DEED RESTRICTION AND COVENANT AGREEMENT** (“Covenant”), recorded at Reception No. _____ in the Ouray Clerk and Recorder’s office, as amended from time to time, and agrees to the restriction in the use of the Restricted Property; and

Whereas, under this Covenant the Grantor and Grantee intend, declare, and agree that the regulatory and restrictive covenants set forth herein govern the use of the Restricted Property and shall be and are covenants running with the land and shall be binding upon the Grantor and Grantee; and

WHEREAS, this Covenant is intended to restrict the lot rent charged on any mobile home units located on Restricted Property to no more than thirty percent (30%) of the adjusted eighty percent (80%) AMI divided by 12 months for a household of two, regardless of true house hold size, adjusted from time to time by City Council, to all occupants of the Restricted Property.

DEFINITIONS

Commented [CV1]: The average lot rent will be \$601, as of now and should have some type of increase based on an inflation in index. I would also recommend excluding special assessments so that if the coop needs to raise money for a capital improvement our striction does not prohibit that.

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¹ Based on 120% of the 2024 area median income for Ouray County, as adopted by CHFA on May 6, 2024, for a household size of two or \$98,280.00.

1. **AREA MEDIAN INCOME (AMI)** is determined by using the figures published yearly by US Department of Housing and Urban Development (“HUD”) and adopted by Colorado Housing and Finance Authority (“CHFA”) to determine housing tax credit projects maximum rent charges for counties in Colorado. They are published at: www.chfainfo.com.
2. **AMI LOT RENT CALCULATION** means the Colorado maximum monthly rent charged by an Owner per unit based on a household size of two, regardless of true household size, that may be collected from all occupants of a Restricted Property, being no more than thirty percent (30%) of the adjusted one-hundred and twenty percent (120%) AMI divided by 12, amended by resolution, from time to time.
3. **LEASE** means a written agreement, between the Owner and Qualified Patron establishing the terms and conditions of the lot rent, including reasonable rules and regulations promulgated by the Owner.
4. **QUALIFIED PATRON** means any person(s) who owns a mobile home unit located within the Restricted Property, is a voting member of Grantor, occupies and uses the Restricted Property as their primary residence, and meets all other qualifications set forth in Paragraph 3 below.
5. **LOT RENT** is the maximum total amount of remuneration charged to a Qualified Occupant for use of the Restricted Property in accordance with the AMI Rent Calculation in effect in the Deed Restriction and Covenant Agreement and including no other costs or charges, including any costs for Owner’s homeowner’s insurance, or any other hidden costs, fees, or payments of any kind for services rendered that are less than fair market value.
6. **TRANSFER** means an act of a Qualified Patron by which a mobile home unit located within the Restricted Property is wholly or partially transferred to another; including but not limited to the sale, assignment voluntary or involuntary transfer, or transfer by operation of law (whether by contract of sale, gift, devise, bequest, trustee’s sale, foreclosure, or otherwise) of any interest in the Qualified Patron’s mobile home unit located within the Restricted Property, including but not limited to a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, a leasehold interest or any interest evidenced by a contract by which possession of Qualified Patron’s mobile home is transferred.

Commented [CV3]: \$2,457 is rent for stick built but Lot Rent in Mobile Home Park is different. How do you want to calculate the lot rent or do you just want to start with a dollar figures which is indexed for inflation.

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COVENANT

NOW, THEREFORE, in consideration of the foregoing material Recitals, the mutual covenants, restrictions, and equitable servitudes stated herein and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby represent and agree as follows:

1. **Covenant Runs with the Land.** These Covenants shall run with the land and title to the Restricted Property, for benefit of and enforceability by Grantee and their successors and assigns, and this Covenant shall bind the Grantor and all subsequent Owners of the Restricted Property. Owner shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions, and restrictions contained herein during the period of ownership. Every lease of the Restricted Property, for any purposes, shall be deemed to include and incorporate by reference, the covenants contained in this Covenant.

1.1 Term. The “**Term**” of this Covenant shall commence on the Effective Date and shall continue until for a term of ninety-nine (99) years (“**Expiration Date**”). Said term shall reset upon every Transfer or Update to Covenants.

1.2 Administration and Enforcement. This Covenant shall be administered and enforced by the City of Ouray through its duly authorized designee, by any appropriate legal or equitable action, including but not limited to specific performance, injunction, abatement or eviction of non-complying Restricted Property Owner(s) or Occupant(s), such other remedies and penalties as may be specified in this Covenant, including but not limited to the Schedule of Violations and Fines found in the Guidelines, or any other remedy available at law.

1.3 Update to Covenants. Upon every transfer of a Restricted Property by Owner, the transferee shall execute the most recent Deed Restriction and Covenant Agreement that has been approved by the City of Ouray. If no transfer takes place within a ten (10) year period, the Grantor shall execute the most recent Deed Restriction and Covenant Agreement that has been approved by the City of Ouray, upon request by either party.

1.4 Replacement of Prior Agreement. If applicable, this Covenant shall supersede and replace in its entirety that certain Deed Restriction and Covenant recorded in the official records of the _____ County Clerk and Recorder on [RECORDING DATE] at Reception No. [RECORDING #].

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2. **Definitions.** The Parties acknowledge and agree that the definitions contained herein shall apply to this Covenant and further agree that each definition: (a) forms a portion of the basis of this Covenant; and (b) is incorporated in this Covenant.

3. **Ownership, Use, Occupancy, and Qualification.**

3.1 **Use and Occupancy.** The use of the Restricted Property is hereby, and shall henceforth be, limited exclusively to Qualified Patrons. If the Restricted Property is owned without compliance with this Covenant, the Grantee shall have the right to enforcement and the remedies set forth herein, including but not limited to the rights under Section 8.

3.2 **Qualification.** Qualified Patrons shall:

3.2.1 be subject to the AMI Rent Calculation in effect at the time the Qualified Occupant takes possession of a mobile home located within the Restricted Property.

3.2.2 occupy the Restricted Property as their sole and exclusive primary residence and use the Restricted Property no less than seventy percent (70%) of the year.

3.2.3 be provided with a fully executed written mobile home park lease from Owner for Lot Rent and a copy of the most current rules and regulations which include these deed restrictions and use covenants.

3.2.4 have household income not to exceed 120% of the most recently adopted area median income for Ouray County for a household size of two, regardless of household size.

3.3 **Continued Qualification Compliance.** The Grantor is responsible for ensuring that all occupants who use the Restricted Property are Qualified Patrons and must maintain compliance with all applicable requirements on an on-going basis. Failure of Grantor to do so shall constitute a violation. The Grantor and any Qualified Patron is required to comply with any deed restriction,

including providing proof of maximum lot rent compliance, maximum median income compliance, or responding to any request to ensure compliance with these Covenants.

5. **Transfer of Property:** Any Transfers of mobile homes located within the Restricted Property shall not occur until each encumbrance, debt, or liability owed by the Grantor to Grantee under these covenants is fully satisfied, including any fees and violation fines.
6. **No Alteration of Restricted Property.** The Restricted Property shall not be altered, demolished, partially demolished, released from these covenants, without the approval of the City of Ouray.
7. **Obligation to Maintain Homeowner's Insurance.** Qualified Patron's shall obtain full replacement cost insurance coverage of the Restricted Property through an insurance provider licensed with and compliant with the Colorado Department of Regulatory Agencies which will repair or replace the home in the event of damage or destruction.
 - 7.1 **Request for Insurance Coverage Certificate.** The Owner will be required to verify compliance with these insurance provisions at any time and is required to respond within seven (7) days.
 - 7.2 Failure to maintain adequate Homeowner's Insurance shall be considered a material breach of this Covenant.
8. **Default/Breach**
 - 8.1 **Right to Request Lease.** In the event the Grantee has reasonable cause to believe an Owner is violating the provisions of this Covenant, that person or entity, through its authorized representative, shall provide the required written lease or other occupancy agreement and any other relevant documentation to the City within seventy-two hours after a written request to Owner was sent by U.S.P.S.
 - 8.2 **Notice of Violation.** The Grantee shall send a Notice of Violation ("NOV") to the Owner detailing the nature of the violation and allowing the Owner fourteen (14) days to determine the merits of the allegations, or to correct the violation. The NOV shall advise the alleged violator of the fines associated with each alleged violation, and any additional opportunity to cure before the fines or consequences escalate. In the event the Owner disagrees with the allegation of violation of the Covenant, the Owner may request, in writing, a hearing before the Grantee, who shall have absolute discretion to determine the appropriate action to be taken to either remedy the violation or to require Owner to sell the Restricted Property. If the Owner does not request a hearing and the violation is not cured within the fourteen-day period, the Owner and/or Occupant shall be considered in violation of this Covenant, and fines shall continue to accrue until the violation is cured or the maximum fine has been reached. Failure to request a hearing shall constitute the failure to exhaust administrative remedies for the purpose of judicial review.
 - 8.3 **Hearing Before the Grantee.** Whenever this Covenant provides for a hearing before the Grantee, such a hearing shall be scheduled by the Grantee within twenty-one (21) days of the date of receipt of a written request for a hearing. At any such hearing, the Owner or other aggrieved party may be represented by counsel and may present evidence on the issues to be determined at the hearing. An electronic record of the hearing shall be made, and the decision of the Grantee shall be a final decision, subject to judicial review.

Commented [CV6]: Stille need to add AMI check once per year. You may want to think about adding a monetary penalty for breach given it may be hard to order removal of the mobile home unit as it can cost 15K or more to move one.

- 8.4 **Reservation of Remedies.** There is hereby reserved to the parties hereto all remedies provided by law for breach of this Covenant or any of its terms. In the event the Parties resort to litigation with respect to any or all provisions of this Covenant, the prevailing party shall be awarded its damages, expenses, and costs, including reasonable attorney's fees.
- 8.5 **Sale Without Compliance.** In the event the Restricted Property is sold and/or conveyed without compliance with the terms of this Covenant, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each conveyance of the Restricted Property, for all purposes, shall be deemed to include and incorporate by this reference the covenants herein contained, even without reference therein to this Covenant.
- 8.6 **Failure to Cure.** In the event an Owner fails to cure any breach of this Covenant, Grantee may resort to any and all available legal or equitable actions, including but not limited to specific performance of this Covenant, declaring the breach a nuisance and abating the same and assessing costs under Section 10-4-E, seeking a mandatory injunction requiring the sale of the Restricted Property by Owner, and/or for an injunction against future sale(s) in violation of this Covenant.

9. **General Provisions**

- 9.1 **Enforcement of Covenant.** This Covenant shall constitute covenants running with the land and Restricted Property as a burden thereon, for the benefit of the Grantee and/or its respective successors and assigns, as applicable, and who may enforce the covenants and compel compliance therewith. Enforcement by any appropriate legal action may include, but is not limited to specific performance injunction, reversion, damages, or eviction of noncomplying Qualified Patron.
- 9.2 **Equal Housing Opportunity.** Pursuant to the Fair Housing Act and public policy, the Grantor shall not discriminate based on race, creed, color, sex, national origin, familial status, disability, sexual orientation, or gender identity in the sale, use or occupancy of the Restricted Property.
- 9.3 **Waiver of Exemptions.** Every Qualified Patron, by taking a membership interest in the cooperative who owns the Restricted Property, shall be deemed to have subordinated to this Covenant all right of homestead and any other exemption in, or with respect to, such Restricted Property under state or federal law presently existing or hereafter enacted.
- 9.4 **Notices.** Any notice, consent, approval, or request which is required to be given by any party hereunder shall be given by personal delivery, by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to the address provided herein or to the address of the Grantee and Grantor at:

Grantee: City Administrator
 City of Ouray
 320 6th Avenue
 PO Box 468
 Ouray, CO 81427
 Telephone: 970-325-7078

Grantor: _____

- 9.5 **Severability.** Whenever possible, each provision of this Covenant and any other related document shall be interpreted in such manner as to be valid under applicable law; but if any provision of this Covenant shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition, without invalidating the remaining provisions of this Covenant.
- 9.6 **Choice of Law and Venue.** This Covenant and each related document are governed and construed in accordance with the laws of the State of Colorado and action shall be commenced in Ouray County, Colorado.
- 9.7 **Attorney Fees and Costs.** In any proceeding for the resolution of any controversy or claim arising out of, or relating to, this Deed Restriction and Covenant, or its breach, the finder of fact shall determine and award to the prevailing party, their reasonable attorney fees and costs.
- 9.7 **Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors, and assigns of the parties.
- 9.8 **Further Actions.** Owners and subsequent owners agree that they shall be personally liable for their participation in any of the transactions contemplated herein and that they will execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Covenant or any agreement or document relating hereto or entered into in connection herewith.
- 9.10 **Modifications.** Any modifications of this Covenant shall be effective only when made by a duly executed instrument by the Grantee and Owner, with the written consent of each, and recorded with the Clerk and Recorder of Ouray County,

CITY OF OURAY

By: _____ EXECUTED, this ____ day of _____, 20__.
 [NAME], Mayor

Attest: [NAME] Clerk

OWNER

By: [NAME], Member

State of Colorado)
) ss.
 County of _____)

The foregoing Deed Restriction and Covenant for _____, has been acknowledged before me this _____ day of _____, 20__ , by _____ [NAME], Member of _____.

Witness my hand and official seal.
 My commission expires:

 Notary Public

This Form Has Important Legal Consequences and the Parties Should Consult Legal Counsel Before Signing

DEED RESTRICTION AND COVENANT AGREEMENT
FOR [INSERT STREET ADDRESS]
City of Ouray
Affordable Housing Ownership and Occupancy

THIS DEED RESTRICTION AND COVENANT AGREEMENT is entered into this ____ day of _____, 20__ (“Effective Date”) between SWISS VILLAGE COOPERATIVE, INC. a Colorado cooperative, [INSERT NAME OF OWNER], (“Grantor” or “Owner”), and the **CITY OF OURAY**, a Colorado home rule municipal corporation with its principal place of business being 320 6th Ave, Ouray, Colorado, 81427, (“Grantee”).

Property Subject to Deed Restriction. The following real property (the “Restricted Property”) is hereby subject to these Covenants:

(INSERT LEGAL HERE)
County of Ouray
State of Colorado.

Commonly known as 1500 OAK STREET, UNITS 1-21, OURAY, COLORADO, 81427 (INSERT STREET ADDRESS HERE)

This Restricted Property has a maximum rental charge based upon an AMI RENT CALCULATION of \$2,457.00 per month¹.

RECITALS

WHEREAS the Grantor is the Owner of the Restricted Property but not the twenty-one (21) mobile home units located thereon which are owned individually by Patrons who all have voting rights in Grantor; and

WHEREAS, the Grantor, and any heirs, executors, administrators, representatives, successors, and assigns, and Patrons and Nonpatron members of Grantor desires and agrees to comply with this DEED RESTRICTION AND COVENANT AGREEMENT (“Covenant”), recorded at Reception No. _____ in the Ouray Clerk and Recorder’s office, as amended from time to time, and agrees to the restriction in the use of the Restricted Property; and

Whereas, under this Covenant the Grantor and Grantee intend, declare, and agree that the regulatory and restrictive covenants set forth herein govern the use of the Restricted Property and shall be and are covenants running with the land and shall be binding upon the Grantor and Grantee; and

WHEREAS, this Covenant is intended to restrict the lot rent charged on certain any housing mobile home units located on Restricted Property as determined by the Owner and City of Ouray to no more than thirty percent (30%) of the adjusted eighty percent (80%) AMI divided by 12 months for a household of two, regardless of true house hold size, adjusted from time to time by City Council, to all occupants of the Restricted Property.

DEFINITIONS

¹ Based on 120% of the 2024 area median income for Ouray County, as adopted by CHFA on May 6, 2024, for a household size of two or \$98,280.00.

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3. **LEASE** means a written agreement, between the Owner and Qualified Patron establishing the terms and conditions of the lot rent, including reasonable rules and regulations promulgated by the Owner~~occupancy agreement which transfers the right to possession and use of Restricted Property for a period to time in return for rent.~~
4. **QUALIFIED OCCUPANT-PATRON** means any person(s) who owns a mobile home unit located within the Restricted Property, is a voting member of Grantor, occupies ~~and uses the Restricted Property as their primary residence, and meets all other qualifications set forth in Paragraph 3 below.~~
5. **LOT RENT** is the maximum total amount of remuneration charged ~~by an Owner, or its authorized delegate,~~ to a Qualified Occupant for use of the Restricted Property in accordance with the AMI Rent Calculation in effect in the Deed Restriction and Covenant Agreement and including no other costs or charges, including any costs for Owner’s homeowner’s insurance, or any other hidden costs, fees, or payments of any kind for services rendered that are less than fair market value.-

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5.—

6. **TRANSFER** means an act of ~~the a Owner Qualified Patron~~ by which ~~the a mobile home unit located within the~~ Restricted Property is wholly or partially transferred to another; including but not limited to the sale, assignment voluntary or involuntary transfer, or transfer by operation of law (whether by ~~deed, beneficiary deed,~~ contract of sale, gift, devise, bequest, trustee's sale, ~~deed in lieu of~~ foreclosure, or otherwise) of any interest in the Qualified Patron’s mobile home unit located within the Restricted Property, including but not limited to a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, a leasehold interest or any interest evidenced by a contract by which possession of Qualified Patron’s mobile home ~~the Restricted Property~~ is transferred ~~and Owner retains title.~~

COVENANT

NOW, THEREFORE, in consideration of the foregoing material Recitals, the mutual covenants, restrictions, and equitable servitudes stated herein and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby represent and agree as follows:

1. **Covenant Runs with the Land.** These Covenants shall run with the land and title to the Restricted Property, for benefit of and enforceability by Grantee and their successors and assigns, and this Covenant shall bind the Grantor and all subsequent Owners of the Restricted Property. Owner shall be personally obligated hereunder for the full and complete performance and observance of all covenants, conditions, and restrictions contained herein during the period of ownership. Every lease of the Restricted Property, for any purposes, shall be deemed to include and incorporate by reference, the covenants contained in this Covenant.

1.1 Term. The “Term” of this Covenant shall commence on the Effective Date and shall continue until for a term of ninety-nine (99) years (“Expiration Date”). Said term shall reset upon every Transfer or Update to Covenants.

1.2 Administration and Enforcement. This Covenant shall be administered and enforced by the City of Ouray through its duly authorized designee, by any appropriate legal or equitable action, including but not limited to specific performance, injunction, abatement or eviction of non-complying Restricted Property Owner(s) or Occupant(s), such other remedies and penalties as may be specified in this Covenant, including but not limited to the Schedule of Violations and Fines found in the Guidelines, or any other remedy available at law.

1.3 Update to Covenants. Upon every transfer of a Restricted Property by Owner, the transferee shall execute the most recent Deed Restriction and Covenant Agreement that has been approved by the City of Ouray. If no transfer takes place within a ten (10) year period, the Grantor shall execute the most recent Deed Restriction and Covenant Agreement that has been approved by the City of Ouray, upon request by either party.

1.4 Replacement of Prior Agreement. If applicable, this Covenant shall supersede and replace in its entirety that certain Deed Restriction and Covenant recorded in the official records of the _____ County Clerk and Recorder on [RECORDING DATE] at Reception No. [RECORDING #].

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2. **Definitions.** The Parties acknowledge and agree that the definitions contained herein shall apply to this Covenant and further agree that each definition: (a) forms a portion of the basis of this Covenant; and (b) is incorporated in this Covenant.

3. **Ownership, Use, Occupancy, ~~Rentals,~~ and Qualification.**

3.1 **Use and Occupancy.** The use of the Restricted Property is hereby, and shall henceforth be, limited exclusively to Qualified ~~Occupants~~ Patrons. If the Restricted Property is owned without compliance with this Covenant, the Grantee shall have the right to enforcement and the remedies set forth herein, including but not limited to the rights under Section 8.

3.2 **Qualification.** Qualified ~~Occupants~~ Patrons shall:

3.2.1 be subject to the AMI Rent Calculation in effect at the time the Qualified Occupant takes possession of a mobile home located within the Restricted Property ~~and upon any renewal of any lease terms.~~

3.2.2 occupy the Restricted Property as their sole and exclusive primary residence and use the Restricted Property no less than seventy percent (70%) of the ~~term of the lease~~ year.

3.2.3 be provided with a fully executed written mobile home park lease for a minimum term of ~~three (3) from Owner months~~ for Lot Rent and a copy of the most current rules and regulations which include these deed restrictions and use covenants.

3.2.4 have household income not to exceed 120% of the most recently adopted area median income for Ouray County for a household size of two, regardless of household size.

3.3 **Continued Qualification Compliance.** The ~~Owner-Grantor~~ is responsible for ensuring that all occupants who use the Restricted Property are Qualified ~~Occupants-Patrons~~ and must maintain compliance with all applicable requirements on an on-going basis. Failure of ~~any Owner-Grantor or Occupant~~ to do so shall constitute a violation. ~~The Grantor and any Qualified Patron Any Owner or Occupant of a Restricted Property~~ is required to comply with any deed restriction, including providing proof of maximum ~~lot rent compliance, maximum median income compliance,~~ or responding to any request to ensure compliance with these Covenants.

5. **Transfer of Property:** Any Transfers of ~~mobile homes located within~~ the Restricted Property shall not occur until each encumbrance, ~~debt, or liability owed by the Grantor to Grantee under these covenants~~ ~~debt or liability owed by the Grantor to the Grantee under these Covenants~~ is fully satisfied, including any fees and violation fines.

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6. **No Alteration of Restricted Property.** The Restricted Property shall not be altered, demolished, partially demolished, released from these covenants, without the approval of the City of Ouray.

7. **Obligation to Maintain Homeowner's Insurance.** ~~Owners- Qualified Patron's~~ shall obtain full replacement cost insurance coverage of the Restricted Property through an insurance provider licensed with and compliant with the Colorado Department of Regulatory Agencies which will repair or replace the home in the event of damage or destruction.

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7.1 **Request for Insurance Coverage Certificate.** The Owner will be required to verify compliance with these insurance provisions at any time and is required to respond within seven (7) days.

7.2 Failure to maintain adequate Homeowner's Insurance shall be considered a material breach of this Covenant.

8. **Default/Breach**

8.1 **Right to Request Lease.** In the event the Grantee has reasonable cause to believe an Owner is violating the provisions of this Covenant, that person or entity, through its authorized representative, shall provide the required written lease or other occupancy agreement and any other relevant documentation to the City within seventy-two hours after a written request to Owner was sent by U.S.P.S.

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8.2 **Notice of Violation.** The Grantee shall send a Notice of Violation ("NOV") to the Owner detailing the nature of the violation and allowing the Owner fourteen (14) days to determine the merits of the allegations, or to correct the violation. The NOV shall advise the alleged violator of the fines associated with each alleged violation, and any additional opportunity to cure before the fines or consequences escalate. In the event the Owner disagrees with the allegation of violation of the Covenant, the Owner may request, in writing, a hearing before the Grantee, who shall have absolute discretion to determine the appropriate action to be taken to either remedy the violation or to require Owner to sell the Restricted Property. If the Owner does not request a hearing and the violation is not cured within the fourteen-day period, the Owner and/or Occupant shall be considered in violation of this Covenant, and fines shall continue to accrue until the violation is cured or the maximum fine has been reached. Failure to request a hearing shall constitute the failure to exhaust administrative remedies for the purpose of judicial review.

- 8.3 **Hearing Before the Grantee.** Whenever this Covenant provides for a hearing before the Grantee, such a hearing shall be scheduled by the Grantee within twenty-one (21) days of the date of receipt of a written request for a hearing. At any such hearing, the Owner or other aggrieved party may be represented by counsel and may present evidence on the issues to be determined at the hearing. An electronic record of the hearing shall be made, and the decision of the Grantee shall be a final decision, subject to judicial review.
- 8.4 **Reservation of Remedies.** There is hereby reserved to the parties hereto all remedies provided by law for breach of this Covenant or any of its terms. In the event the Parties resort to litigation with respect to any or all provisions of this Covenant, the prevailing party shall be awarded its damages, expenses, and costs, including reasonable attorney's fees.
- 8.5 **Sale Without Compliance.** In the event the Restricted Property is sold and/or conveyed without compliance with the terms of this Covenant, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each conveyance of the Restricted Property, for all purposes, shall be deemed to include and incorporate by this reference the covenants herein contained, even without reference therein to this Covenant.
- 8.6 **Failure to Cure.** In the event an Owner fails to cure any breach of this Covenant, Grantee may resort to any and all available legal or equitable actions, including but not limited to specific performance of this Covenant, declaring the breach a nuisance and abating the same and assessing costs under Section 10-4-E, seeking a mandatory injunction requiring the sale of the Restricted Property by Owner, and/or for an injunction against future sale(s) in violation of this Covenant.

9. **General Provisions**

- 9.1 **Enforcement of Covenant.** This Covenant shall constitute covenants running with the land and Restricted Property as a burden thereon, for the benefit of the Grantee and/or its respective successors and assigns, as applicable, and who may enforce the covenants and compel compliance therewith. Enforcement by any appropriate legal action may include, but is not limited to specific performance injunction, reversion, damages, or eviction of noncomplying ~~Owners and/or Occupants~~ Qualified Patron.
- 9.2 **Equal Housing Opportunity.** Pursuant to the Fair Housing Act and public policy, the Grantor shall not discriminate based on race, creed, color, sex, national origin, familial status, disability, sexual orientation, or gender identity in the ~~lease, sale, use or occupancy of the Restricted Property.~~
- 9.3 **Waiver of Exemptions.** Every ~~Owner~~ Qualified Patron, by taking ~~title to a membership interest in the cooperative who owns the~~ Restricted Property, shall be deemed to have subordinated to this Covenant all right of homestead and any other exemption in, or with respect to, such Restricted Property under state or federal law presently existing or hereafter enacted.
- 9.4 **Notices.** Any notice, consent, approval, or request which is required to be given by any party hereunder shall be given by personal delivery, by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to the address provided herein or to the address of the Grantee and Grantor at:

Grantee: -City Administrator
 City of Ouray
 320 6th Avenue

PO Box 468
Ouray, CO 81427
Telephone: 970-325-7078

Grantor: _____

- 9.5 **Severability.** Whenever possible, each provision of this Covenant and any other related document shall be interpreted in such manner as to be valid under applicable law; but if any provision of this Covenant shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition, without invalidating the remaining provisions of this Covenant.
- 9.6 **Choice of Law and Venue.** This Covenant and each related document are governed and construed in accordance with the laws of the State of Colorado and action shall be commenced in Ouray County, Colorado.
- 9.7 **Attorney Fees and Costs.** In any proceeding for the resolution of any controversy or claim arising out of, or relating to, this Deed Restriction and Covenant, or its breach, the finder of fact shall determine and award to the prevailing party, their reasonable attorney fees and costs.
- 9.7 **Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors, and assigns of the parties.
- 9.8 **Further Actions.** Owners and subsequent owners agree that they shall be personally liable for their participation in any of the transactions contemplated herein and that they will execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Covenant or any agreement or document relating hereto or entered into in connection herewith.
- 9.10 **Modifications.** Any modifications of this Covenant shall be effective only when made by a duly executed instrument by the Grantee and Owner, with the written consent of each, and recorded with the Clerk and Recorder of Ouray County, ~~except that the Rent shall be subject to modification by the Grantee when the AMI Rental Calculation is amended from time to time.~~

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CITY OF OURAY

By: _____ EXECUTED, this ____ day of _____, 20__.
[NAME], Mayor

Attest: [NAME] Clerk

OWNER

By: [NAME], Member

State of Colorado)
) ss.
County of _____)

The foregoing Deed Restriction and Covenant for _____, has been acknowledged before me this _____ day of _____, 20__, by _____ [NAME], Member of _____.

Witness my hand and official seal.
My commission expires:

Notary Public

DRAFT

Swiss Village MHP (SVMHP) Purchase – Private Subsidy Affordability Covenants

This document was formally approved by the Swiss Village Co-op Board on March 12, 2024.

1. Existing residents:
 - a. Second homeowners: Pay same lot rent as permanent residents and are “grandfathered” in as long as their MH units are sold to purchasers meeting covenants below.
 - b. Income Restrictions: AMI calculated at time of sale only. If existing residents exceed AMI-based income restrictions in future, they are “grandfathered” in.
 - c. In sum, covenants below are not intended to cause displacement of current residents.
2. Affordability Covenants:
 - a. All mobile home units in SVMHP must be owner-occupied primary residences, with owners residing in the mobile home unit at least 8 months every year.
 - b. Preference is for AMI income restrictions to be set by City of Ouray, Ouray County, and/or DOH with Co-op to follow any restrictions as condition of any subsidy received.
 - c. For example only:
 - i. Co-op shall hold no less than 100% of the manufactured home lots located within the park as “affordable”, meaning the lots are to be rented to households earning 100% or less of AMI as determined by HUD;
 - ii. In event of multiple offers at same price, preference given to potential buyers with lower AMI and/or who work full-time in Ouray County.
 - iii. If a homeowner cannot sell mobile home unit under current listing terms within [X days to be determined], he/she can apply to Co-op Board/City for exemption to sell to buyer with higher AMI [120% AMI or other limit to be determined] but buyer must meet primary residence requirement in (a) above.
 - d. New residents must agree to these covenants as condition of sale of mobile home unit in SVMHP.
 - e. Covenants shall run with the property and continue in perpetuity for as long as Co-op owns SVMHP.
 - f. Co-op to file annual certification with City of Ouray that these requirements are met.
3. Co-op Dissolution/Default/Sale of MHP:
 - a. To sell SVMHP, need unanimous vote of all Co-op members.
 - b. In event of any sale of SVMHP, foreclosure, or if Co-op otherwise defaults or ceases to operate, Co-op must give City, County, and any of their assignees a right of first refusal to purchase SVMHP at market rate or \$2.5 million plus 3% annual appreciation, whichever is lower.
4. Co-op Support Fund:
 - a. Unit currently owned by park owner to be transferred free of charge to Co-op as part of SVMHP purchase transaction; if Co-op sells the unit, proceeds to be placed into interest-bearing fund.
 - b. Funds to be used at Co-op’s discretion as revolving loan fund for Co-op loan buy down, natural disaster relief, resident rental assistance, MH maintenance or replacement programs to support Co-op residents.
 - c. Co-op Board is encouraged to adopt bylaws that allow residents to replace mobile home with manufactured home on permanent foundation as long as within current footprint, design is pre-approved by Co-op, and ROC and zoning requirements are met.

When Recorded Return to:
COLORADO DIVISION OF HOUSING
1313 SHERMAN STREET, ROOM 320
DENVER, CO 80203
Attn: [Name of Asset Manager]

COLORADO DEPARTMENT OF LOCAL AFFAIRS USE COVENANT AND REGULATORY AGREEMENT

THIS USE COVENANT AND REGULATORY AGREEMENT (“Covenant”) is made by [Entity Name], a [State] [entity type] (“Grantor”), whose business address is [Street], [City], [State] [Zip] CHOOSE ONE owner of the real property described below, and is effective as of the date appearing beneath Grantor’s signature at the end of this Covenant.

Grantor is a beneficiary of funds through Loan Agreement #HxHDG00000 (the “Funding Agreement”) from the State of Colorado (“State”), by and through the Department of Local Affairs (“DOLA”), for the benefit of the Division of Housing (“DOH”) for use in the [use of funds] of [project name] (the “Project”), located at [Street], [City], [State] [Zip] (the “Property”), whose legal description is as follows:

SEE ATTACHMENT 1

As a condition precedent to the receipt of the funds, Grantor shall promptly record this Covenant with the real property records at the clerk and recorder’s office in the county in which the Property is located to ensure that certain rental and occupancy limitations associated with the DOH’s Housing Development Grant (“HDG”) program are met regardless of ownership.

NOW, THEREFORE, the following is established as a covenant running with the land:

1. **Use Restriction.** For the term of this Covenant, the Property shall be used primarily to provide housing for Eligible Beneficiaries at Affordable Rents. Grantor shall not demolish any part of the Project or permit any residential unit in the Project to be used for any purpose other than rental housing.
2. **Change in Use.** No change in use is permitted without the express written consent of DOH.
3. **Affordability Period.** This Covenant shall encumber the Property, without regard to the term of any mortgage or any transfer of ownership, for a period of thirty (30) years following the date the Project is complete (the “Project-Close Out Date”) as identified in writing to the original recipient of the funds. This period is the “Affordability Period”. Repayment of HDG funds shall not terminate the Affordability Period.
4. **HDG-Assisted Units.** Grantor shall designate number (x) rental housing units at the Project as HDG-assisted units. The HDG-assisted units shall have the number of bedrooms and be occupied by households whose income is at or below the percentage of Area Median Income (“AMI”) identified in the table in §5. The HDG-assisted units shall be floating units over the Affordability Period, meaning that the units at the Property designated by Grantor as HDG-assisted units may change from time-to-time. Grantor shall ensure that the HDG-assisted units are, at all times, comparable in terms of number of bedrooms, square footage, and amenities to those units originally designated as HDG-assisted. Whenever the income of a household occupying an HDG-assisted unit increases beyond the applicable income limit during the term of the tenancy Grantor shall re-designate the next available unit at the Property as an HDG-assisted unit. Grantor shall keep records of all re-designation actions including, without limitation, the effective date of each such action, and make such records available to DOLA upon request.

5. **Eligible Beneficiaries.** Each HDG-assisted listed in the table below shall be affordable to and occupied by an Eligible Beneficiary. “Eligible Beneficiary” means a household whose annual income (as defined at 24 CFR 5.609) is less than or equal to the applicable income limit in effect at the time such household initially occupies their unit. Income limits are published annually by the Colorado Housing and Finance Authority (“CHFA”) based on indexes published by HUD. If such indexes are no longer published income limits shall be based on an equivalent index designated by the DOH.

Unit Type	1-BR	2-BR	Total	Income Limit
HDG-Assisted	0	0	0	≤ 30% of AMI
Other Affordable	0	0	0	≤ 30% of AMI
	0	0	0	≤ 40% of AMI
	0	0	0	≤ 50% of AMI
	0	0	0	≤ 60% of AMI
Unassisted	0	0	0	
Total Units	0	0	0	

6. **Lawful Presence.** [Reserved].

7. **Income Eligibility Determinations.** Grantor shall determine that each household occupying an HDG-assisted unit is income eligible by determining the household’s annual income (as defined in 24 CFR §5.609) in a manner consistent with the requirements of 24 CFR 92.203.

7.1. **Initial Income Determination.** Prior to initially serving such household, Grantor shall examine at least two (2) months of source documents evidencing annual income (e.g. wage statement, interest statement, unemployment compensation statement, etc.) for the household.

7.2. **Subsequent Income Determinations.** In each year during the Affordability Period, Grantor shall re-examine the annual income of each household occupying an HDG-assisted unit. For subsequent annual income determinations, Grantor shall:

7.2.1. Determine the household’s income according to the method described at §7.1, or

7.2.2. Obtain from the household a written statement of the amount of the household’s annual income and household size, along with a certification that the information is complete and accurate. The certification must state that the household will provide source documents upon request. If Grantor accepts the tenant’s statement and certification of income, Grantor is not required to further examine the income of the tenant for that year unless there is evidence that the tenant’s written statement failed to completely and accurately state information about the household’s size or income, or

7.2.3. Obtain a written statement from the administrator of a government program under which the household receives benefits and which examines the annual income of the household each year. The statement must indicate the tenant’s household size and state the amount of the household’s annual income. Alternatively, the statement must indicate the dollar amount of the current applicable income limit for the tenant household’s family size and state that the household’s annual income does not exceed this limit.

8. **Affordable Rents.** The rents for the HDG-assisted units shall not exceed the lesser of fair market rents and the rents shown in table below, less any utility allowance (“Affordable Rents”). Rent limits are published annually by CHFA based on indexes published by HUD. If such indexes are not available rent limits shall be based on an equivalent index designated by DOH.

The foregoing paragraph notwithstanding, if an HDG-assisted unit receives state or federal project-based rental subsidy, and the household pays no more than 30 percent of its adjusted income toward rent and utilities, then the maximum rent (tenant contribution plus project-based rental subsidy) shall be the maximum rent allowable under the state or federal project-based rental subsidy program. Should Grantor opt out of the project-based subsidy during the period of affordability, the HDG-assisted units shall have rents that do not exceed the Affordable Rents. In the event of a decrease or termination of the Project-Based Section 8 rental subsidy for the Project, unless such decrease or termination arises from default by Grantor or other material failure to comply with agreements, laws, or regulations applicable to the Project, the State agrees to work in good faith with Grantor to address the Grantor's request to seek alternative sources of funding, and/or, at the State's sole discretion, modify the occupancy restrictions, or increase the rent and income limits required by this Covenant.

Regardless of changes in Affordable Rents over time, the HDG rents for this Project shall not be required to be lower than those in effect on the date the Funding Agreement was executed. The Affordable Rents in effect on the date the Funding Agreement was executed are as follows:

[Name] County Effective: [Date]			
Rent Limits	1-Bedroom	2-Bedroom	3-Bedroom
60% AMI	\$0	\$0	\$0
50% AMI	\$0	\$0	\$0
40% AMI	\$0	\$0	\$0
30% AMI	\$0	\$0	\$0

8.1. **Utility Allowance.** If there are any tenant-paid utilities, Grantor shall calculate an allowance (the “Utility Allowance”) and deduct such allowance from the applicable Affordable Rent to determine the maximum tenant-paid rent for each HDG-assisted unit. The Utility Allowance for HDG-assisted units shall be determined using the Local Housing Authority Utility Allowance Schedule. Grantor shall update the Property’s Utility Allowance schedule annually. If Grantor desires to alter the method by which the Utility Allowance is calculated during the Affordability Period, Grantor shall notify DOH in writing, and such alteration shall be subject to DOH’s prior, written approval, which DOH shall not unreasonably deny.

8.2. **Changes in Rents.** [Reserved].

9. **Tenant Selection.** Grantor shall follow written tenant selection policies and criteria that:

- 9.1. Limit the housing to income-eligible households;
- 9.2. Are reasonably related to the applicants’ ability to perform the obligations of the lease;
- 9.3. Do not exclude applicants with Housing Choice Vouchers (pursuant to 24 CFR Part 982), participating in a HOME tenant-based rental assistance program (pursuant to 24 CFR

Part 92), or with State Housing Vouchers because of the status of those prospective tenants as holders of such vouchers or comparable HOME tenant-based assistance documents;

- 9.4. Provide for the selection of tenants CHOOSE ONE, to the greatest extent practicable;
- 9.5. Notwithstanding §9.4, maximize the occupancy of accessible units by persons with disabilities who need the features of such units;
- 9.6. Give prompt written notification to any rejected applicants of the grounds for their rejection; and
- 9.7. Limit eligibility or give a preference to INSERT SPECIAL POPULATION, pursuant to the Funding Agreement.

10. Tenant Protections. Reserved.

11. Violence against Women Act (“VAWA”). Reserved.

12. Ongoing Property Condition Standards. Grantor shall maintain the Property as decent, safe, and sanitary housing in good repair. Throughout the Affordability Period, Grantor shall ensure that the Property is suitable for occupancy, and complies with all applicable health, safety and other codes, ordinances, and requirements, including:

- 12.1. All applicable State and local code requirements and ordinances,
- 12.2. HUD’s Housing Quality Standards as defined at 24 CFR 982.401, and
- 12.3. All accessibility standards of the Fair Housing Act (42 USC 3601-20).
- 12.4. Comply with DOH’s ongoing property condition standards in effect at the time this Covenant is executed, which DOH shall make available by request and on DOH’s website.

13. Affirmative Marketing. Grantor shall adopt, maintain, and follow written affirmative marketing procedures that comply with DOLA’s affirmative marketing requirements, which DOLA shall make available by request and on DOLA’s website. DOLA’s affirmative marketing requirements include, without limitation:

- 13.1. Methods to inform the public, owners, and potential tenants about federal fair housing laws and Grantor’s affirmative marketing procedures;
- 13.2. Practices Grantor shall follow in order to carry out DOLA’s affirmative marketing requirements;
- 13.3. Identification of populations in the housing market area that are not likely to apply for tenancy at the Property without special outreach;
- 13.4. Procedures to inform persons who identify as members of such populations of the availability of housing opportunities at the Property, and to solicit applications from such persons;
- 13.5. Procedures to inform persons with disabilities of the availability of accessible units and maximize the occupancy of accessible units by individuals who need the features of such units; and

- 13.6. Maintenance of records describing actions of Grantor to comply with these affirmative marketing procedures and to assess the results of such actions.
14. **Recordkeeping.** Grantor shall maintain records documenting compliance with this Covenant for the most recent six-year period, until six years after the completion of the Affordability Period.
15. **Monitoring.** Grantor shall timely respond to and cooperate with all requests from DOH, or its designee, for information, or to conduct on-site inspections, for the purpose of determining whether the Property is in compliance with the terms of this Covenant.
16. **Annual Audit.** [Reserved].
17. **Enforcement.** DOH, or its designee, may take legal action to enforce the terms of this Covenant and shall be entitled to all available remedies in law or in equity including, without limitation, specific performance and injunctive relief.
18. **Noncompliance.** Loan funds invested in housing that does not meet affordability requirements for the full Affordability Period must be repaid to the DOH. If the Property is not used to house Eligible Beneficiaries at Affordable Rents for the full term of the Affordability Period, Grantor shall repay to the State, within sixty days of the State’s request, the full amount of the funds disbursed pursuant to the Funding Agreement. Repayment of loan funds shall not terminate the Affordability Period.
19. **Transfers.** This Covenant is a covenant running with the land and shall be binding on Grantor’s successors, assigns, heirs, grantees and lessees. Grantor shall take all steps reasonable and necessary to ensure that the requirements and restrictions of this Covenant are binding on any successor to Grantor who acquires an interest in the Property. Grantor hereby covenants to include the requirements and restrictions of this Covenant in any document to be executed in connection with the transfer of any interest in the Property to another person or entity to ensure that such transferee has notice of, is bound by, and agrees to abide by the terms of this Covenant. Grantor shall not, without the prior written consent of DOH, Transfer the Property or any interest in the Property.
- 19.1. For purposes of this Covenant, “Transfer” shall mean (i) the sale, assignment, transfer, conveyance, disposition, or alienation of an interest in the Property; (ii) the dissolution of Grantor; or (iii) the sale, transfer, conveyance or other disposition of all of Grantor, a sufficient amount of interest such that another entity gains a controlling interest in Grantor, or the managing general partner or managing member of Grantor.
- 19.2. The foregoing notwithstanding, the consent of DOH shall not be required for the following Transfers: (i) the sale of obsolete or worn-out furnishings or equipment, (ii) the direct or indirect transfer of an investor limited partner or investor member interest in Grantor, (iii) the removal and replacement of the managing general partner or managing member of Grantor as permitted in the Operating Agreement or Partnership Agreement of Grantor, but only if the replacement is the investor limited partner or investor member of Grantor or an affiliate thereof, (iv) the execution, modification, amendment, or assignment of a security interest in the Property recorded prior to or otherwise senior in priority to this Covenant and transfers of the Property after exercise of remedies pursuant to such security interest in the Property. Any subsequent replacement of the managing general partner or managing member of Grantor shall

Division of Housing: The State will not accept changes to this section to exempt from consent requirements Transfers of the Property, Grantor, or a controlling interest of the Grantor because the State has an interest in the ultimate owner of the property for housing compliance, procurement, and reporting reasons.

Division of Housing: Transfers under lease agreements with tenants in the normal course of business are subject to the restrictions and approval processes set forth elsewhere in this document, so a carve-out for such transfers cannot be added here.

Division of Housing: The transfer of non-managing member/partner interests does not constitute a “Transfer” under this paragraph.

require the prior written consent of DOH, which shall not be unreasonably withheld provided such managing general partner or managing member meets DOH's then current approval standards.

20. **Release.** Upon satisfaction of the terms of this Covenant, and the written request of Grantor or the then owner of record, DOH will execute a release of this Covenant.
21. **Termination.** This Covenant shall terminate upon the date the Property is acquired by foreclosure or transfer in lieu of foreclosure, unless such acquisition is part of an arrangement with the Grantor a purpose of which is the termination of this Covenant or the entity or entities acquiring the Property through foreclosure have business ties to the Grantor or family ties to a principal of Grantor.
22. **Changes in Law.** Until such time as this Covenant is released, Grantor shall comply with all laws, regulations, and ordinances applicable to Grantor under this Covenant, as such laws, regulations, and ordinances may change from time to time.
23. **Investor Opportunity to Cure.** The State, in its sole discretion, may accept a cure from the Tax Credit Investor of any default with respect to this Use Covenant and Regulatory Agreement within the same time, and in the same manner, as the Grantor; provided, however, the Tax Credit Investor shall have no obligation to cure.
[INSERT INVESTOR'S ADDRESS].

Division of Housing: Senior Lender's notice and cure rights are addressed in the Subordination Agreement.

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ATTACHMENT 1

[INSERT LEGAL DESCRIPTION]

[Back to normal view](#)

Query: HouseNumber=1500 and StreetName=oak

Showing 20 results on 1 page

Account#	Summary	Picture
M000040	MOBILEM00040 101 - 101 PAULA R DAMKE TRUST 1500 OAK ST #11 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #11 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E019450 SERIAL: ZWK751412876 YEAR: 1985 MAKE: ZIMMER/WINDSOR SIZE: 14 X 70 
M000042	MOBILEM00042 101 - 101 PEG E ROLLANS LIVING TRUST 1500 OAK ST #14 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #14 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E054407 SERIAL: 220229809147 YEAR: 2002 MAKE: MED SIZE: 16 X 76 
M000048	MOBILEM00048 101 - 101 HINCKLEY TERESA, HINCKLEY ALESHA LEONE 1500 OAK ST #6 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #6 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E027125 SERIAL: 42510427F YEAR: 1993 MAKE: SABRE/SKYLINE SIZE: 16 X 56 
M000256	MOBILEM00256 101 - 101 GROGG MICHAEL LESTER 1500 OAK ST #1B Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE 1B S: 31 T: 44 R: 7 MBL HOME TITLE: 56E047677 SERIAL: 42511845I YEAR: 1996 MAKE: SAB SIZE: 14 X 66 
M000268	MOBILEM00268 101 - 101 SPENCE KEITH HOWARD, SPENCE LAUREL SUE 1500 OAK ST #1A Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #1A S: 25 T: 44 R: 8 MBL HOME TITLE: 56E050577 SERIAL: 2J520520I YEAR: 1996 MAKE: COLONY MANOR SIZE: 16 X 72 
M000274	MOBILEM00274 101 - 101 MITCHELL MARY L, ANGULO CHARENE LOU 1500 OAK ST #12 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #12 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E034761 SERIAL: ZWK801410994 YEAR: 1982 MAKE: ZIMMER/WINDSOR SIZE: 14 X 75 
M000287	MOBILEM00287 101 - 101 LAHR CYNTHIA E 1500 OAK ST #4 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #4 S: 31 T: 44 R: 7 MBL HOME TITLE: 56E055490 SERIAL: 22964673675 YEAR: 1996 MAKE: NORTH SUMMIT CREST SIZE: 16 X 58 

M000809	MOBILEM00809 101 - 101	KUNZ ADAM C	1500 OAK ST #15 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #15 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E051551 SERIAL: 05L29245 YEAR: 2001 MAKE: LIBERTY SIZE: 16X80	
M000812	MOBILEM00812 101 - 101	FORD BERTIE DIANE	1500 OAK ST #18 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #18 S: 25 T: 44 R: 8 MBL HOME TITLE: 56E059687 SERIAL: LPTX10680TX YEAR: 2003 MAKE: PATRIOT SIZE: 16X76	
M000818	MOBILEM00818 101 - 101	NISSEN STACY W, NISSEN DEBRA A	1500 OAK ST #3 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #3 MBL HOME TITLE: C2520169SA&B YEAR: 2004 MAKE: SKY SIZE: 28X48	
M000819	MOBILEM00819 101 - 101	HART-VALIGURA SARA	1500 OAK ST #12B Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #13 MBL HOME TITLE: 56E054347 SERIAL: D6520191S (AB) YEAR: 2004 MAKE: SKYLINE SIZE: 56X24	
M000823	MOBILEM00823 101 - 101	PUTTRE CHRISTINE	1500 OAK ST #10 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #10 MBL HOME TITLE: 56E058659 SERIAL: CLW021656TX YEAR: 2005 MAKE: CLAYTON SIZE: 16 X 80	
M000824	MOBILEM00824 101 - 101	TRIPODI TRAVIS TOBIN	1500 OAK ST #8 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #8 SERIAL: CLW020887TX YEAR: 2004 MAKE: CLAYTON SIZE: 16X76	
M000832	MOBILEM00832 101 - 101	HASELNUS SHERYL	1500 OAK ST #2 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #2 MBL HOME TITLE: 56E060977 SERIAL: 59510110U YEAR: 2006 MAKE: SKY SIZE: 16 X 56	
M000837	MOBILEM00837 101 - 101	REDDEN MICHAEL, VAN CLEAVE ANSON	1500 OAK ST #19 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #19 MBL HOME TITLE: 56E050043 SERIAL: HU11732AB YEAR: 2006 MAKE: STO SIZE: 24 X 68	
M000838	MOBILEM00838 101 - 101	SEVER BARBARA, SCHOENEBAUM JOHN H	1500 OAK ST #5 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #5 MBL HOME TITLE: 56E053026 SERIAL: PH1902291 YEAR: 2001 MAKE: PALOMINO SIZE: 16X68	

M000843	MOBILEM00843 101 - 101	CALVIN JEFFREY L	1500 OAK ST #17 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #17 MBL HOME TITLE: 56E057429 SERIAL: 00500PH010791A YEAR: 2008 MAKE: PREMIER NET/RN803 SIZE: 16 X 60	
M000858	MOBILEM00858 101 - 101	KOCH CRAIG LYLE, KOCH SHOSHANA DIANE SAGNER	1500 OAK ST #9 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #9 MBL HOME TITLE: 56E064903 SERIAL: NME006480NM YEAR: 2016 MAKE: CMH SIZE: 76 X 16	
M000864	MOBILEM00864 101 - 101	PHILLIPS KELLNER, DRALLE JAMES R, DRALLE ANN J	1500 OAK ST #7 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK SPACE #7 MBL HOME TITLE: 56E068512 SERIAL: 017-00P-H- A001979AB-SC YEAR: 2017 MAKE: TITAN NEW BEGINNINGS/HRNB4483C SIZE: 27 X 48	
M000872	MOBILEM00872 101 - 101	CRAWFORD DEAN R, CRAWFORD ARLENE M H	1500 OAK ST #20 Ouray 81427	Subd: SWISS VILLAGE TRAILER PARK Unit: 20 MBL HOME TITLE: 006396185 SERIAL: 23300PHA010868A3 YEAR: 2021 MAKE: CHAM - PRAIRIE DUNE 2 PREMIER SIZE: 46 X 30	



Impact Development Fund

Your Place • Our Passion

February 26, 2025

Paula Damke, President
Swiss Village Cooperative
1500 Oak St.
Ouray, CO 81427

RE: Term Sheet for Swiss Village Mobile Home Community Acquisition – \$1,313,095

Dear Paula,

Thank you for the opportunity to discuss your needs for the Swiss Village mobile home community acquisition. The following terms and conditions constitute those which are being considered through the underwriting process for the subject acquisition, and must be finalized by a formal loan committee decision and commitment prior to closing.

SUMMARY OF PROPOSED TERMS AND CONDITIONS

1. **Borrower:** Swiss Village Cooperative, or an entity thereof
2. **Loan Amount:** \$1,313,095 (One Million Three Hundred Thirteen Thousand Ninety Five Dollars and No Cents).
3. **Loan Purpose:** Borrower will use the Loan Proceeds for the acquisition and preservation of affordability of the mobile home community known as Swiss Village.
4. **Property:** The Property is located at 1500 Oak Street Ouray, CO 81427. (the “**Property**”).
5. **Closing:** Occurs when the exchange of all executed loan documents following Lender’s satisfaction of all conditions precedent to the making of the Loan to Borrower. Closing shall occur on a date determined by Lender and Borrower prior to the Loan Closing Deadline.
6. **Loan Closing Deadline:** Not later than June 30, 2025.
7. **Disbursement Schedule:** Single advance at Closing.
8. **Commitment Fee:** 1.50% of the Loan Amount.
9. **Loan Term:** Up to 240 months.
10. **Maturity Date:** Up to 240 months from the Date of Closing, but not later than May 31, 2049.
11. **Extension of Maturity:** At Lender’s sole discretion, the Maturity Date may be extended for up to six months without modification of other terms and conditions of the Loan. An extension fee of 0.25% of the outstanding loan balance shall be paid by the Borrower.
12. **Interest Rate:** 3.50% Fixed.
13. **Loan Payments:** Borrower to make principal and interest payments throughout the loan term, based on a 30-year amortization period. Interest shall accrue based upon daily outstanding balance. Payments are due monthly on the first day of each month. All outstanding principal balance of the Loan and all accrued but



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unpaid interest, together with all other fees, costs and charges, if any, shall be due and payable upon Maturity Date.

14. **Prepayment Penalty:** Prepayment can be made in whole or in part, at any time, without notice or penalty.
15. **Guarantor:** No guarantee is required as long as the Borrowing entity retains a nonprofit or cooperative designation.
16. **Real Property Collateral/Deed of Trust:** A deed of trust with interest encumbering the Property shall be executed, with the final position TBD and a maximum Combined LTV of 90%.
17. **Other Closing Conditions:** All other customary closing conditions apply.
18. **Documents and Legal Requirements:** Borrower will be required to execute a Note, Deed of Trust, Loan Agreement and Covenant Use Restriction limiting the incomes of resident tenants/owners to compliance with final Division of Housing contract parameters. Borrower agrees that the Loan and this Commitment are subject to such additional documentation and legal requirements as may be deemed necessary by Lender's counsel.
19. **Affordability Requirements:** the property must meet the minimum affordability requirements:

At least 50% of the homeowner units must serve income no higher than 80% of the Area Median Income.
At least 30% of all homeowner units must serve income no higher than 120% AMI. The remaining 20% of the homeowner units may be unrestricted for the purpose of incomes.
20. **Long-Term Affordability:** The proposed must ensure long term affordability equivalent to the final term length of the note but no less than 15 years, through a recorded use covenant.
21. **Required Underwriting Documents:** Appraisal, Phase-1 environmental site assessment, and property condition assessment (or capital needs assessment). Three (3) historical financial statements and copies of federal tax returns of the borrower and the project, where applicable. All other requests for underwriting documents will be subject to the lender's discretion.

The above outlines the proposed terms we intend to move for formal review and approval; however, does not constitute any form of commitment on behalf of IDF.

Sincerely,

Erica L. Madison

Erica Madison
Chief Lending Officer



Colorado Secretary of State
 ID#: 20241837390
 Document #: 20241837390
 Filed on: 08/07/2024 12:17:21 PM
 Paid: \$50.00

Document must be filed electronically.
 Paper documents are not accepted.
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 of filed documents, visit www.coloradosos.gov.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Cooperative
 filed pursuant to § 7-56-201 and of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the cooperative is

Swiss Village Cooperative

(The name of a cooperative association may, but need not, contain the term or abbreviation "cooperative", "association", "incorporated", "company", "limited", "coop", "ass'n", "assn", "assoc.", "inc.", "co." or "ltd.")

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the cooperative's principal office is

Street address

1500 Oak Street Lot #11

(Street number and name)

Ouray

(City)

CO

(State)

81427

(ZIP/Postal Code)

United States

(Province – if applicable)

(Country)

Mailing address

(leave blank if same as street address)

PO BOX 193

(Street number and name or Post Office Box information)

Ouray

(City)

CO

(State)

81427

(ZIP/Postal Code)

United States

(Province – if applicable)

(Country)

3. The registered agent name and registered agent address of the cooperative's initial registered agent are

Name

(if an individual)

Damke

(Last)

Paula

(First)

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

1500 Oak Street Lot #11

(Street number and name)

Ouray

(City)

CO

(State)

81427

(ZIP Code)

Mailing address

(leave blank if same as street address)

PO BOX 193

(Street number and name or Post Office Box information)

Ouray _____ CO 81427
(City) (State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Damke Paula
(Last) (First) (Middle) (Suffix)

or

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address PO BOX 193
(Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The cooperative has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. The cooperative is formed

(Mark the applicable box.)

with stock. The classes of shares and the number of shares of each class the cooperative is authorized to issue are stated in an attachment. If the stock is divided into preferred and common stock, voting and nonvoting stock, or into any other class of stock, the attachment states the number of shares of stock in each class and the nature and extent of the preferences, limitations, relative rights, and privileges granted to each.

or

without common voting stock. The attachment to this document states whether the property rights and interests of each member are equal or unequal and, if unequal, the general rule or rules applicable to all members by which the property rights and interests of each member are determined and fixed; provisions for the admission of new members who are entitled to share in the property of the cooperative with the old members in accordance with such general rules; and whether the cooperative is authorized to issue one or more classes of preferred stock or other equity interests and, if so authorized, a statement as to the number of shares of stock of each class or other equity interests and the nature and extent of the preferences, limitations, relative rights, and privileges granted to each.

6. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

7. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____.
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

8. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>Damke</u>	<u>Paula</u>		
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>1500 Oak Street Lot #11</u>			
<i>(Street number and name or Post Office Box information)</i>			
<hr/>			
<u>Ouray</u>	<u>CO</u>	<u>81427</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u>United States</u>			
<i>(Province – if applicable)</i>		<i>(Country)</i>	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

ATTACHMENT TO
ARTICLES OF INCORPORATION
Of
Swiss Village Cooperative, Inc.
I. PURPOSE: This cooperative corporation is formed on a nonprofit basis for the purpose of acquiring, producing, building, operating, furnishing, exchanging, or distributing manufactured housing in a manufactured housing park and services primarily associated therewith for the benefit of its Members who are ultimate consumers pursuant to Colorado law and with all powers conferred by Sections 38-33.5-101 et.seq., C.R.S.; Sections 7-56-101 et.seq., C.R.S. and Sections 7-121 through 7-135 et.seq., C.R.S.
II. NAME: The name of the cooperative corporation shall be Swiss Village Cooperative, Inc. ("Cooperative").
III. TERM: The term of existence of the Cooperative shall be perpetual.
IV. NO SHARES: This Cooperative is organized without shares and there shall be two classes of Membership Interests: Patron Members and Nonpatron Members with membership qualifications provided in the Bylaws of the Cooperative. Membership Interests shall include voting and governance rights for both classes of Membership as well as equity ownership consisting of Membership Fees incurred by a Member on joining the Cooperative ("Membership Fee"), all as provided in the Bylaws of the Cooperative. New Members shall be admitted to the Cooperative as provided in the Bylaws of the Cooperative.

ARCHIVO ADJUNTO A LOS
ARTÍCULOS DE INCORPORACIÓN
De
Swiss Village Cooperative, Inc.
I. PROPÓSITO: Esta corporación cooperativa está constituida como una organización sin fines de lucro para los fines de adquirir, producir, construir, operar, amueblar, intercambiar, o distribuir casas prefabricadas en un parque de casas prefabricadas y los servicios asociados principalmente con eso para el beneficio de los miembros quienes son ultimadamente consumidores de conformidad con la ley de Colorado y con todos los poderes conferidos por las Secciones 38-33.5-101 et.seq., C.R.S.; Secciones 7-56-101 et.seq., C.R.S. y Secciones 7-121 hasta 7-135 et.seq., C.R.S.
II. NOMBRE: El nombre de la corporación cooperativa será Swiss Village Cooperative, Inc. ("Cooperativa").
III. TÉRMINO: El término de la existencia de la Cooperativa debe ser perpetuo.
IV. SIN ACCIONES: Esta Cooperativa está organizada sin acciones y habrá dos clases de Derecho de Participación: Los Miembros Patrocinadores y los Miembros No Patrocinadores con calificaciones de la membresía estipulado en los Estatutos de la Cooperativa. El Derecho de Participación incluirá derechos de votación y gobernanza para ambas clases de Membresía así como también el capital de participación en la propiedad que consiste en las Tarifa de Membresía incurridas por un miembro que se une a la Cooperativa ("Tarifa de Membresía") todo como se provee en los Estatutos de la Cooperativa. Se les permitirá la entrada a nuevos miembros a la Cooperativa según lo estipulado en los Estatutos de la Cooperativa.

V. BOARD OF DIRECTORS: The number and qualifications for the Board of Directors of the Cooperative shall be provided in the Bylaws.
VI. <u>LIMITATION OF DIRECTOR LIABILITY.</u> No Director of the Cooperative shall have any personal liability to the Cooperative or to its Members for monetary damages for any breach of the duty of care as a director, except for: any acts or omissions in bad faith or that involve intentional misconduct or a knowing violation of law; any transaction from which the Director derived an improper personal benefit; any unlawful liquidating distributions of assets to Members, unlawful loans to Directors, or unlawful guarantees of loans to Directors; unlawful dividends; unlawful stock or other equity repurchases; or any other unlawful distribution that was voted for or assented to if the Director did not act in conformance with the standard of care as set forth in section 7-108-401, Colorado Revised Statutes.
VII. <u>INDEMNIFICATION.</u> The Cooperative shall indemnify its Directors, Officers, employees and agents to the full extent permitted by law, unless limited in the Cooperative's Bylaws.
VIII. <u>PROPERTY RIGHTS:</u> The property rights of Members shall be equal with respect to their Membership Interest, all other property interests will be determined by occupancy or leasehold agreements.
IX. <u>MAXIMUM MEMBER CAPITAL:</u> The maximum percentage of capital which may be owned or controlled by any Member, shall be the percentage of the Membership Fees owned by them in relation to the total of Membership Fees in the Cooperative; each Member shall be limited to a single Membership Interest.

V. JUNTA DIRECTIVA: El número y las calificaciones para la Junta Directiva de la Cooperativa será estipulada en los Estatutos.
VI. <u>LIMITACIÓN DE RESPONSABILIDAD DEL DIRECTOR.</u> Ningún director de la Cooperativa tendrá ninguna responsabilidad personal a la Cooperativa o a sus miembros por perjuicios pecuniarios si se infringe el deber de cuidado como director, excepto en los siguientes casos: cualquier acto u omisión de mala fe o que involucre el mal comportamiento o una violación consciente de la ley; cualquier transacción de la cual el director haya derivado un beneficio personal inapropiado; cualquier distribución ilegal de activos liquidados a los miembros, préstamos ilegales a los directores, o servir de aval ilegal a los préstamos de los directores; dividendos ilegales; acciones ilegales u otras recompras de acciones; o cualquier otra distribución ilegal que se haya votado o aceptado si el Director no actuó de conformidad con el estándar de cuidado según se establece en la sección 7-108-401, de los Estatutos de Colorado Revisados.
VII. <u>INDEMNIZACIÓN.</u> La Cooperativa indemnizará a sus directores, funcionarios, empleados y agentes a la máxima extensión permitida por la ley, a menos que estén limitados en los Estatutos de la Cooperativa.
VIII. <u>DERECHOS DE PROPIEDAD:</u> Los derechos de propiedad de los miembros serán iguales con respecto a su Derecho de Participación, todos los otros intereses de la propiedad serán determinados por la ocupación o por los acuerdos de la propiedad arrendada.
IX. <u>CAPITAL MÁXIMO POR MIEMBRO:</u> El porcentaje máximo de capital el cual puede ser poseído o controlado por cualquier miembro, deberá ser el porcentaje de la Tarifa de Membresía que sea propiedad del miembro en relación al total de las Tarifas de Membresía en la Cooperativa; cada miembro debe ser limitado a un sólo Derecho de Participación.

X. DISTRIBUCIÓN TRAS LA DISOLUCIÓN: Después de la disolución de la Cooperativa, los miembros serán elegibles para que se les devuelva su tarifa membresía inicial y cualquier activo restante será distribuido a otra cooperativa o corporación sin fines de lucro, siendo dicha contribución deducible de impuestos bajo las actuales Regulaciones de Servicios de Ingresos internas.

XI. NO DISCRIMINACIÓN: La membresía en la Cooperativa estará limitada a las viviendas, las cuales son residentes del parque de casas prefabricadas que es propiedad de la Cooperativa. La membresía estará disponible sin discriminación debido a la orientación sexual, edad, sexo, raza, credo, color, estado civil, estatus familiar, discapacidad física o mental u origen nacional.

X. DISTRIBUTION UPON DISSOLUTION: Upon dissolution of the Cooperative, Members shall be eligible to return of their initial membership fee and any remaining assets shall be distributed to another cooperative or non-profit corporation, the contribution to which is tax deductible under the current Internal Revenue Service Regulations.

XI. NON-DISCRIMINATION: Membership in the Cooperative shall be limited to households, which are residents of the manufactured housing park owned by the Cooperative. Membership shall be available without discrimination because of that person's sexual orientation, age, sex, race, creed, color, marital status, familial status, physical or mental disability or national origin.