

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

**A.P.N.:** \_\_\_\_\_

*SPACE ABOVE THIS LINE FOR RECORDER'S USE*

No Fee per Govt. Code Sec. 6103

**AFFORDABLE HOUSING COVENANT**

This AFFORDABLE HOUSING COVENANT ("**Agreement**") is made this \_\_\_\_ day of \_\_\_\_\_, 2017, by and among the COUNTY OF SANTA BARBARA, a political subdivision of the State of California (hereinafter, "**County**"), HABITAT FOR HUMANITY OF SOUTHERN SANTA BARBARA COUNTY a California non-profit public benefit corporation ("**Habitat**"), and \_\_\_\_\_ ("**Owner**"), with reference to the following facts:

A. Habitat owns that certain real property located at 4949 Sawyer Avenue, Carpinteria, California (APN 003-153-005) ("**Subject Property**"), which is more fully described in Exhibit "A" attached hereto and made a part hereof for all purposes.

B. County has provided Habitat with financial assistance in the amount of three hundred thousand dollars (\$300,000) for the purpose of expanding the supply of decent, safe, sanitary and affordable housing for low income persons and families ("**County Grant**").

C. Habitat has used the County Grant to develop and construct three (3) condominium units on the Subject Property ("**Units**"), which units shall be affordable to "low" and "very-low" income households, as those terms are defined herein. [INSERT UNIT No. ] is one of the three Units ("**Unit** \_").

D. Habitat and County entered into that certain Interim Affordability Control Covenant Imposed on Real Property ("**Interim Covenant**"), which was recorded against the Subject Property in the Office of the Santa Barbara County Recorder as Instrument No. \_\_\_\_.

E. Habitat intends to sell Unit \_ to Owner, a Low Income Household.

F. Pursuant to the terms of the Interim Covenant, as part of the escrow proceedings for the sale of Unit \_, the County and Habitat shall sign and record in the Office of the County Recorder a replacement covenant to assure continued affordability of the Unit.

G. The parties desire to enter into this Agreement, on the terms and conditions set forth below to satisfy the requirements of the Interim Covenant and to ensure the long-term affordability of the Unit for Low and Very Low Income Households.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **INCORPORATION OF RECITALS.** The above recitals are hereby incorporated herein as if fully set forth at this point.

2. **AFFORDABILITY RESTRICTIONS.** Unit\_ shall be owned and occupied exclusively by Low Income Households. Unit \_ shall not be sold, held, conveyed, transferred, leased, rented, used or occupied by any persons other than Low Income Households. Notwithstanding the foregoing, Habitat or the County may own Unit \_ during the term of this Agreement, provided that such ownership of Unit \_ is temporary in nature and for the purpose of identifying, qualifying and transferring the Unit to a Low Income Household. At no time during ownership of Unit \_ by Habitat or the County shall Unit \_ be occupied by anyone other than Low Income Households. For purposes of this Agreement, the following definitions shall apply:

“*Low Income Household*” shall mean a household earning eighty percent (80%) or less of Area Median Income. To assure affordability of Unit \_, the income of the Low Income Household shall be sufficient so that no more than thirty five percent (35%) of such income shall be required for the monthly housing payments, which shall include any mortgage payments, including principal and interest, property insurance, private mortgage insurance, property taxes, and homeowner association fees.

“*Area Median Income*” shall mean the median income of the Santa Barbara/Santa Maria/Lompoc Primary Metropolitan Statistical Area, adjusted for family size, as determined from time to time by the United States Department of Housing and Urban Development (“HUD”) pursuant to Section 8 of the United States Housing Act of 1937, as amended, and published from time to time by the California Department of Housing and Community Development, or any successor agency. If at some time HUD ceases to publish the Area Median Income figure, or at such time as HUD has not published an updated figure for at least two years, the County may determine the Area Median Income in the manner the County deems appropriate.

“*Household Income*” shall mean the household income of the Low-Income Household as determined in accordance with 24 CFR 5.609 – 612.

3. **TERM.** The term of this Agreement shall be the period that ends ninety (90) years after the date this Agreement is recorder in the Office of the Santa Barbara County Recorder. The running of this period may be tolled during any time in which Unit \_\_ is owned or occupied in violation of the terms of this Agreement, as determined by the County.

4. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of County, Habitat, Owner, and the heirs, personal representatives, grantees, lessees, sublessees, contract purchasers, and assignees of Habitat, Owner, and any subsequent owner of Unit \_\_. Unit \_\_ is held and hereafter shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and occupied subject to these covenants, conditions, restrictions and limitations. All of the above-stated covenants, conditions, restrictions and limitations are intended to constitute both equitable servitudes and covenants running with the land. Any purchaser or transferee of Unit \_\_ or of any portion or interest in Unit \_\_, shall, by the acceptance of any interest in Unit \_\_, or by the signing of a contract or agreement to purchase any interest in Unit \_\_, be deemed to have consented to and accepted the covenants, conditions, restrictions and limitations set forth herein.

5. **PRIORITY OF AGREEMENT.** This Agreement shall be senior and superior in lien priority to any mortgage, deed of trust, lease, sublease, contract, or any other instrument securing any debt or monetary obligation, including without limitation any deed of trust recorded by Habitat or any other lender.

6. **ENFORCEMENT.** Upon any violation of the provisions of this Agreement, County may declare a default under this Agreement by delivering written notice thereof to the owner and/or occupant. Upon the declaration of a default, County apply to a court of competent jurisdiction for specific performance of the Agreement, for an injunction prohibiting a proposed sale or transfer in violation of this Agreement, for a declaration that a transfer violates this Agreement and is, therefore, void, or for any such other relief as the County may deem appropriate. The owner or occupant shall hold County and its designees harmless for any action taken in good faith to enforce the terms of this Agreement.

7. **RECORDS.** County shall have the ability to request from Habitat a copy of their records of the owner's or occupant's compliance with the terms of this Agreement. Habitat shall provide a copy within a reasonable time after receiving County's request for the records.

8. **SUBSEQUENT SALES.** In the event that any of the following events transpire, County shall have the ability and authority to require that, upon the next sale of Unit \_\_, a replacement Agreement shall be executed and recorded that imposes such additional requirements as the County may reasonably impose in its sole discretion in order to ensure that the property remains affordable in accordance with Section 2 above:

- a) Habitat no longer is designated a non-profit, charitable organization by the Internal Revenue Service as meeting the requirements of Section 501(c)(3) of the Internal Revenue Code (26 U.S.C.); or
- b) Habitat ceases to exist in Santa Barbara County; or
- c) Habitat no longer has the capacity to enforce this Homeowner's Covenant, as

determined by County.

**HABITAT FOR HUMANITY of SOUTHERN SANTA BARBARA COUNTY,**  
a California non-profit public benefit corporation,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**THE COUNTY OF SANTA BARBARA,**  
a political subdivision of the State of California

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**OWNER**

\_\_\_\_\_





EXHIBIT "A"

Legal Description of Assessor Parcel Number 003-153-005  
4949 Sawyer Avenue, Carpinteria, CA 93013