



**REQUEST FOR PROPOSALS
HOMEOWNERSHIP WORKFORCE HOUSING
SCATTERED SITES 19130 ZIP CODE**

JUNE 2016

Table of Contents

1. Introduction
2. Scope of Work
3. Schedule
4. Proposal Requirements
5. Evaluation/Selection
6. Declarations and Other Information
7. Application Process

Exhibits:

- A. Legal Descriptions
- B. Workforce Housing Deed of Restrictive Covenant
- C. CPI & Sample Calculation
- D.
 1. Development Team & Project Detail Form
 2. Project Proforma
- E. Guidelines for Lot Sizes and Design Standards
- F. City of Philadelphia Economic Opportunity Plan
- G. Certificate of Non-Indebtedness
- H. Campaign Disclosure Forms
- I. Tax Clearance and Conflict of Interest Form
- J. Purchase and Development Agreement

1. Introduction and Workforce Housing Program

Given the decline of available resources and the continued demand for affordable homeownership opportunities, Philadelphia is seeking new ways to leverage publicly-owned land to support investment in transitional real estate markets. The Workforce Housing (“WFH”) Program seeks to unlock developable parcels to those committed to producing housing that is affordable to middle-income households.

The Philadelphia Land Bank (“Land Bank”) invites competitive workforce housing proposals from developers to purchase and develop all of the following publicly owned properties (vacant lots), located in the Francisville neighborhood of Philadelphia:

1. **844 N. 19th Street**
2. **715 N. 20th Street**
3. **1907-1909 Brown Street**
4. **1917 Brown Street**
5. **836 N. 19th Street**
6. **869 N. 20th Street**
7. **867 N. Uber Street**

The legal descriptions of the properties are located in Exhibit A. Proposals will be reviewed to determine the most responsive proposal in accordance with the evaluation/selection criteria listed below.

2. Scope of Work

The goal of this Request for Proposals (“RFP”) is to facilitate the development of 3 bedroom/2 bathroom homeownership workforce housing units under the WFH Program. The program is designed to leverage the value of publicly-owned land to create housing opportunities that will be affordable to households with incomes up to 120 percent of the area median income.

By focusing on neighborhoods with appreciating market values (average property values exceeding \$300,000) that have become unaffordable to middle-income households, the program will:

- Increase the availability of affordable housing opportunities in neighborhoods with increasing home values, neighborhood amenities and access to public transportation and employment opportunities;
- Follow best practices of other cities and leverage publicly owned land as the only subsidy;
- Most importantly, maintain the level of affordability upon resale of units over a 10 to 30 year period.

Completed units will be restricted to sales prices between \$180,000 - \$230,000, and the affordability of the units shall be maintained for a minimum of ten years through a restrictive covenant (Exhibit B). Eligible buyers must meet income guidelines based on annual income limits set by the U.S. Department of Housing and Urban Development (“HUD”). These income limits change annually; the table below illustrates the limits effective March 28, 2016.

Household Size	Maximum Household Income 120 Percent of AMI
1	\$67,560
2	\$77,160
3	\$86,760
4	\$96,360
5	\$104,160

The initial affordability period for all homebuyers will be for ten (10) years as set forth by the WFH Declaration of Restrictive Covenants. The covenant requires:

- For a period of 10 years, beginning on the date of sale, the home must be owned and occupied as the principal residence of the buyer;
- If the home is sold, transferred, conveyed or otherwise disposed of during the 10-year affordability period, the subsequent purchaser must be a person or family whose household income does not exceed 120 percent of the area median income. The subsequent purchaser’s eligibility must be verified and approved by City staff.
- The resale price increase (but not decrease) will be determined by the percentage change in the Consumer Price Index (“CPI”) for All Urban Consumers for the Philadelphia, Wilmington, Atlantic City area for All Items as published by the U.S. Department of Labor (Exhibit C – CPI & sample calculation).
- If the home is sold, transferred, conveyed or otherwise disposed of during the 10-year affordability period, the affordability period will be renewed at each subsequent conveyance until the expiration of a period of 30 years from the beginning of the affordability period (the initial date of sale), at which time this declaration will terminate.

To qualify to purchase a WFH home, potential buyers must submit the Homeowner Application to the developer for initial review. Required documentation to verify household income includes copies of two most recent paystubs and previous two years Federal Income Tax Returns, along with bank, investment or other statements of assets. Once the developer has received and reviewed the application with supporting documentation, the completed application will be submitted to the Land Bank for verification and approval.

3. Schedule

The timeline for this Development Opportunity is as follows:

Event	Date
Notice of RFP Opportunity Posted	May 31, 2016
Briefing Session (Not Mandatory) to be held at 1234 Market St., 17 th Floor at 2PM	June 8, 2016
Questions and/or Requests for Additional Information Due	June 14, 2016

Questions & Answers posted to Land Bank website ¹	June 21, 2016
Proposals Due	July 20, 2016
Respondent(s) Selected	August 2, 2016
Agreement Executed	August 30, 2016

These dates are estimates only and the Land Bank reserves the right, in its sole discretion, to alter this schedule as it deems necessary or appropriate.

4. Proposal Submission Requirements

Responses to this RFP must contain the information described below and conform to the following format:

A. Development Team and Project Details

Complete Exhibit D Form to provide information regarding the project team, scope, and financial structure. The required narrative should succinctly summarize and describe the proposed development.

The Developer should also provide a statement of qualifications including projects completed, total development costs, number of units, year completed and type of project.

All members of the development team and their roles should be clearly identified. Qualification statement should include information regarding any other projects the team has engaged in together and the status of those projects.

B. Financial Summary

Responses must demonstrate financial wherewithal and development capacity to carry out proposed development of the property. Submissions must provide documentation of availability of funds in an amount no less than the total development cost of the project. Failure to provide clear evidence of funding for the proposal to purchase and develop the property will disqualify submissions. Acceptable forms of evidence include:

- letter of interest with specific funding terms and requirements or term sheet that references funding the proposed project,
- other written evidence of financial support from one or more lending institutions specifying amount to be committed to project, and/or
- audited financial statement for last fiscal year plus internal financial statements ending the most recent quarter.

The proposal must contain information regarding any litigation (pending or threatened) in which the development entity or any members of the development team are involved and any judgments that have been entered against the development entity or any member of the development team that may affect the ability to successfully execute the proposed project for the Property.

C. Development Plans

¹ All questions or comments regarding this RFP must be submitted in written form via email to LandBankRFP@Phila.gov. Questions will not be accepted via telephone.

The proposed development should take into consideration the local context and provide attractive, well-designed 3 bedroom/2 bathroom infill units that enhance the quality of the built environment. Architectural submissions must be prepared by a registered architect, submitted on 11" x 17" size paper and address at a minimum the following (also outlined in the Property Application Package):

- Site plan of the complete project identifying building footprint and unit types
- Ground floor dimensioned architectural plans; other principal floor plans
- Building elevations with materials and key dimensions noted

Structures should be sensitive to the pedestrian environment through building facades that are engaging and put eyes on the street. Building size and scale should be designed to enhance walkability and provide quality buildings by respecting the rhythms found in the size, placement and proportion of entries and windows in other buildings. Avoid false historic design and garages that dominate the streetscape. Dumpsters, electrical and mechanical equipment should be permanently screened. Developers are strongly encouraged to incorporate the Design Standards as outlined in the "Workforce Housing: Guidelines for Lot Sizes and Design Standards" (Exhibit E).

Developers are encouraged to incorporate sustainable, "green" design features and building materials. Proposals should consider building performance objectives and Energy Star's building design guidelines that integrate energy efficiency. Developers are also encouraged to include visitability elements in some homes.

Effort must be made to comply with the existing zoning. If this is not feasible, Developer must provide a clear, rational explanation as to why.

D. Development Schedule & Milestones

The proposed development timeline should identify important milestones and dates beginning with due diligence activity (no more than 60 days), securing required government approvals and financing commitments. Please provide an anticipated closing date. Also include a post-closing construction schedule that identifies, at a minimum, construction commencement and completion deadlines as well as anticipated sales and occupancy timeframe.

E. Economic Opportunity Policy & Project Goals

The development team should demonstrate their experience working with MBE and WBE firms in addition to completing the "City of Philadelphia Economic Opportunity Plan" form (Exhibit F) to demonstrate a commitment to meet the City's goals.

F. Proposal Fee

Proposals must include a proposal fee of **\$1,500** (the "Proposal Fee") in one of the following forms, in order of preference: a cashier's check, certified check, or money order made payable to "Philadelphia Land Bank."

The Proposal Fee of the selected developer for the Property will be non-refundable upon execution of the Land Bank Agreement by the Developer (Agreement will be provided upon selection). The amount will be credited toward the security completion deposit and ultimately refunded at project completion with the issuance of a Certificate of Completion provided all requirements included in the Agreement are adhered to. The Proposal Fee of unsuccessful bidders will be refunded within 30 days after rejection notices. Interest earned on deposits of unsuccessful bidders will not be returned.

G. Certificate of Non-Indebtedness

All proposals submitted in response to this RFP must contain a fully executed Certificate of Non-Indebtedness to the City of Philadelphia (Exhibit G).

H. Campaign Disclosure Forms

Each member of the development team must complete the Campaign Disclosure Forms (Exhibit H).

I. Tax Clearance & Conflict of Interest Form

All proposals submitted in response to this RFP must contain a fully executed Tax Clearance & Conflict of Interest form (Exhibit I).

5. Evaluation/Selection

An initial review of the proposals will be to determine compliance with the Proposal Submission Requirements. Only proposals that comply with these requirements will be considered for evaluation. If no proposal meets these requirements, the Land Bank may allow all developers to supplement their submissions to conform to these requirements.

The proposals will be evaluated based on financial capability, project responsiveness (concept design quality and development timeline), and development team capacity. Complete proposals will be evaluated by a Proposal Review Team in their entirety – i.e., no one factor, but rather a combination of all of the factors will determine the successful developer. Final selection is subject to approval as stated in “Land Bank Disposition Process” below.

The disclosure statements and other documentation submitted to the Land Bank are the most important sources of information upon which the Land Bank will base its selection and approval of a developer. Accordingly, any substantive misstatement or omission in any such disclosure statement or documentation shall be sufficient to reject the proposal.

Upon completion of the review and evaluation, staff will recommend selection of a developer.

Land Bank Disposition Process

After staff reviews the proposals and a developer is selected, the following Land Bank Approval process and City Council approvals must be obtained prior to closing. Following is a general sequence of events in this approval process:

1. Staff review and approval of proposal and conceptual plans in consultation with the Planning Commission;
2. Execution of Purchase and Development Agreement by the Developer (Exhibit J). At this time the Proposal Deposit is credited toward the deposit required under the Land Bank Agreement;
3. City Vacant Property Review Committee approval of the property dispositions;
4. City Council approval of the property dispositions;
5. Approval by the Land Bank Board of Directors of the property dispositions;
6. Settlement;
7. Construction period;
8. Review of the completed development to determine compliance with Agreement. If the development is found to be in compliance with the Agreement, the Land Bank will

issue a Certificate of Completion.

The Developer shall be responsible for securing and paying all costs associated with all permits, licenses, approvals, lot line relocation, or variances necessary to comply with the development controls, City code, and the approval of plans.

The Land Bank shall make the final decision with respect to development proposals and shall notify all developers of the results and return Proposal Fees to unsuccessful developers.

Events of Disqualification

Subsequent to the selection of a developer, and before execution of an Agreement, the Land Bank may treat any of the following as an event of disqualification or default:

1. Unilateral withdrawal by the selected developer;
2. Failure to proceed substantially in accordance with the proposal as submitted;
3. Failure by the Developer for any reasons whatsoever to timely execute the Agreement when tendered;
4. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as part of the response to the Request for Proposals, or subsequent thereto. For the purposes of this section, the Land Bank places particular importance on the information required by the Developer's Statement of Qualifications and Financial Responsibility and the Developer's Statement for Public Disclosure;
5. Failure to provide in a timely manner the additional material required after selection throughout the Land Bank disposition process.

Remedies

Upon the happening of an event of disqualification by the Developer, the Land Bank shall have the right, at its election, to:

1. Rescind its selection of the Developer; and
- 2.
3. Retain the Proposal Deposit as liquidated damages.

6. Declarations and Other Information

MBE/WBE/DBE Firms: The Land Bank strongly encourages and promotes the employment of qualified MBE/WBE/DBE firms in all aspects of its procurement of goods and services. If applicant is a Certified M/W/DBE, defined as Minority Business Enterprises (MBE), Woman Business Enterprises (WBE), or Disadvantaged Business Enterprises (DBE), please submit information to confirm Certification as part of bid proposal.

Tax Clearance and Conflict of Interest Form: Respondents, upon request of the Land Bank, must provide evidence satisfactory to the Land Bank that all municipal taxes, including business taxes, real estate, school, water and sewer charges, if applicable, are current for both the individual applicant and the applicant's firm and neither is currently indebted to the City. This requirement applies both at the time of closing and at any time during the term of the agreement. Please complete the Philadelphia Tax Status Certification and Conflict of Interest forms and submit them with the proposal.

Campaign Contribution Disclosure Forms: Please complete the applicable disclosure forms and submit with the proposal.

Reservation of Rights

By submitting a proposal in response to this RFP, an Applicant affirmatively acknowledges: (i) its acceptance of the terms and conditions of this RFP; (ii) the Land Bank may exercise in its sole discretion the following rights; and (iii) the Land Bank may exercise the following rights at any time and without notice to any Applicant.

1. to reject any and all proposals;
2. to supplement, amend, substitute, modify or re-issue the RFP with terms and conditions materially different from those set forth here;
3. to cancel this RFP with or without issuing another RFP;
4. to extend the time period for responding to this RFP;
5. to solicit new proposals;
6. to conduct personal interviews with any Applicant to assess compliance with the selection criteria;
7. to request additional material, clarification, confirmation or modification of any information in any and all proposals;
8. to negotiate any aspect of a proposal, including price;
9. to terminate negotiations regarding any and all proposals at any time;
10. to expressly waive any defect or technicality in any proposal;
11. to rescind a selection prior to contract execution if the Land Bank determines that the proposal does not conform to the specifications of this RFP;
12. to rescind a selection prior to contract execution if the Land Bank determines that the specifications contained in this RFP are not in conformity with law or that the process in selection of a proposal was not in conformity with law or with the legal obligations of the Land Bank;
13. in the event a contract is awarded, the successful Applicant or Applicants shall procure and maintain during the life of the contract liability insurance in an amount to be determined prior to the award of any contract;
14. in the event a contract is awarded, all Applicants agree to perform their services as an independent contractor and not as an employee or agent of the Land Bank;
15. in the event a contract is awarded, all Applicants agree that the Purchase and Development Agreement may not be assigned without the prior written approval of the Land Bank; and
16. each Applicant agrees to indemnify, protect and hold harmless the Land Bank from any and all losses, injuries, expenses, demands and claims against the Land Bank or the City of Philadelphia sustained or alleged to have been sustained in connection with or resulting from (i) the submission of the Applicant's proposal; (ii) the delivery by the Applicant to the Land Bank of any other documents or information; and (iii) any other conduct undertaken by the Applicant in furtherance of or in relation to the Applicant's proposal. Each Applicant agrees that its duty to indemnify and hold harmless shall not be limited to the terms of any liability insurance, if any, required under this RFP or subsequent contract.

7. Application Process

Applicants must submit **three copies of the proposal and one electronic copy on CD to the Land Bank no later than July 20, 2016 at 3:00 pm**; absolutely no proposals will be accepted after that time. Files on the CD may only be in Microsoft Word or Adobe PDF.

An applicant, whether an individual, partnership, LLC, nonprofit, for profit or other business entity, may submit only one response to this RFP. Individuals that are related to each other or business entities that are legally related to each other or to a common entity may not submit separate proposals. The Land Bank, in its sole and absolute discretion, retains the right to reject any proposal where: i) applicants or principals of applicants are substantially similar or substantially related parties; or ii) the Land Bank has determined that the applicant has violated these conditions or the spirit of these conditions.

Applicants may hand deliver or send proposals via registered mail to:

Nicholas Scafidi, Esq.
Philadelphia Land Bank
1234 Market St., 17th Floor
Philadelphia, PA 19107

Contact for Additional Information

All questions and requests for additional information should be directed in writing to LandBankRFP@Phila.gov. Questions will only be accepted until June 14, 2016. The Land Bank is not obligated to answer or respond to any questions it receives after the Deadline for Questions. The Land Bank will answer all questions asked at the Pre-Proposal Meeting or properly submitted before the Deadline for Questions, and which the Land Bank in its sole discretion determines concern a material element of the proposal process. The Land Bank will provide answers in writing by an addendum to this RFP before the Deadline to Submit Proposals and will post the answers at philadelphialandbank.org. The Land Bank is not bound by any oral response made by any Land Bank official or employee.

Questions & Answers Regarding Land Bank Francisville RFP
June 21, 2016

Q: Is it the developer's responsibility to find and qualify buyers followed by City verification?

A: Yes. The selected developer and/or their agent should identify and screen applicants before entering into an agreement of sale so that the buyer is likely qualified to purchase the home. The Land Bank is responsible for giving formal approval of homebuyer eligibility.

Q: How quickly does it take for a homebuyer to be formally approved by the Land Bank?

A: Historically it has taken 1-2 business days from receipt of a completed homebuyer application.

Q: Will the Land Bank reject a buyer after the developer has OK'd him/her?

A: Only for income eligibility reasons.

Q: Are homebuyer mortgages limited to certain lenders as with the previous PRA Neighborhood Stabilization Program (NSP)?

A: No, any bank, financial institution or other institutional lender is acceptable.

Q: Is the restrictive covenant recorded in the deed and does it survive foreclosure?

A: The "DECLARATION OF RESTRICTIVE COVENANTS, CONDITIONS AND RESTRICTIONS" executed by developer at time of settlement is recorded as a separate document. In the instance of foreclosure by the developer's lender, the restrictive covenants survive in most cases. Reference to the Restrictive Covenant will be inserted in the deed from the developer to the homebuyer. If the homebuyer's lender forecloses, in most cases, the restrictive covenant will terminate.

Q: Are there checks and balances for the quality of construction?

A: Yes, part selection process is a review of design and materials.

Q: Does the developer have to break ground on all 8 properties at once?

A: No. If the developer is proposing a phased development, the response should include timeline of phasing. It is the Land Bank's expectation that construction will commence within 3 months of the selected developer obtaining necessary permits.

Q: Does the buyer get the 10-year tax abatement?

A: These homes are eligible for the 10 year abatement the same as with other new construction. It will be the developer's responsibility to apply for abatements.

Q: Does the Land Bank retain ownership during construction or is it sold to the developer? Who, in turn, sells it to the homebuyer?

A: Yes, the Land Bank conveys the property to the developer.

Q: What if the properties don't sell?

A: The Land Bank expects there will be sufficient demand for the homes.

Q: Does the developer cover closing costs?

A: Yes. The developer is responsible for traditional closing costs and should include that in the required pro forma.

Q: Will acquisition costs be the price of land at \$1 plus all closing costs?

A: Yes if the selected developer is proposing a nominal conveyance. Although the Land Bank will consider nominal offers, similar RFPs in the past have resulted in proposals in which developers offered cash for properties.

Q: Was the income amount on the worksheet distributed at the briefing 120 percent of AMI?

A: Yes. The income guidelines are also in the RFP itself. Income calculations are updated on an annual basis and as a result, income guidelines will most likely change prior to closings with homebuyers.

Q: Is City choosing one developer or splitting properties up among multiple developers?

A: One developer will be selected to develop all properties contained within the RFP.

Q: Should the proposed acquisition price be a lump sum for all 8 properties?

A: Yes.

Q: Has City conducted an in-house analysis of current construction costs?

A: Yes.

Q: Is the \$230,000 maximum sales price going to stay?

A: Yes, that is the maximum sales price.

Q: How do we deviate from design if we think a different design will sell better?

A: Design will be a factor in proposal review; the Land Bank has tried to select properties that will not require a variance. However, if a developer believes that a design that deviates from the recommended design guidelines is better suited for a particular parcel, that information should be included in the RFP response.

Q: Is there any City subsidy for soft costs (transfer costs, realtor fees)?

A: The land is the only subsidy for the developer.

Q: What is the status of previous RFPs in Francisville?

A: In different stages, but all moving forward.

Q (to Reinvestment Fund): Is there a dollar amount in mind for financing?

A: It is more about staging than an overall dollar limit. Reinvestment Fund would likely seek to limit the amount outstanding at any given time by phasing the development of the 8 units, but would anticipate making sufficient funding available to fully build out all units in a given project.

Q: What flexibility is there as we encounter unforeseen issues?

A: The Land Bank expects developers responding to the RFP to exercise full due diligence.

Q: Where can I find Schedule E to the RFP?

A: <http://www.philadelphialandbank.org/wordpress/wp-content/uploads/2016/06/Exhibit-E-Guidelines-for-Lot-Sizes-and-Design-Standards.pdf>

Q: Can 844 N. 19th St. be removed from the RFP?

A: This property will remain in the RFP.

Q: Does each parcel of land have to be a single family home? Or can we build 4 stories, and do 2 condos per building?

A: The preference is for single-family homes that will not need a variance.

Q: If family of four already owns an apartment, can they participate in this program?

A: This program is not restricted to first time homebuyers; however, the property must be the primary residence and cannot be rented. Rental income from previously owned property will be included in overall household income when determining eligibility.

Q: If one of the developers has a relative in a family, who wants to participate in this program, will it be an obstacle?

A: All sales must comply with fair housing guidelines. Completion of a Conflict of Interest disclosure will be required.

836 N. 19th Street

SITUATE on the west side of 19th Street at the distance of 34 feet, 9 inches Southward from the South side of Parrish street in the 15th Ward of the City of Philadelphia

CONTAINING in front or breadth on the said 19th street 16 feet, 3 inches and extending of that width in length or depth Westward between parallel lines at right angles to the said 19th Street 70 feet to a certain 3 feet wide alley which extends Northward into the said Parrish Street.

TOGETHER with the free and common use, right, liberty and privilege of the aforesaid alley as and for a passageway and watercourse at all times hereafter, forever.

844 N. 19th Street

ALL THAT CERTAIN lot or piece of ground with the building and improvements thereon erected, SITUATE on the West side of Nineteenth Street at the distance of Eighteen feet Northward from the North side of Parrish Street in the Fifteenth Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said Nineteenth Street, eighteen feet and extending of that width in length or depth Westward between parallel lines at right angles with the said Nineteenth Street, seventy feet,

BOUNDED Northward and Southward by ground now or late of William Crawford, Eastward by the said Nineteenth Street and Westward by an alley two feet ten inches wide leading into the said Parrish Street.

715 N. 20th Street

Beginning at a point on the easterly side of 20th Street, 135 feet 6-1/4 inches, more or less north of the northerly side of Fairmount Avenue;

thence extending in a northerly direction along the easterly side of 20th Street, 19 feet 0 inches, more or less, to a point;

thence extending in an easterly direction along a line of property now or late of Edgar V. Wimberly, et ux, 98 feet 10 inches, more or less, to a point on the westerly side of a 4 foot wide alley;

thence extending in a southerly direction along the westerly side of said 4 foot wide alley, 19 feet 0 inches, more or less, to a point;

thence extending in a westerly direction along another line of the aforesaid Wimberly property, 98 feet 10 inches, more or less, to the place of beginning, containing 0.0431 acres, more or less.

869 N. 20th Street

ALL THAT CERTAIN lot or piece of ground with the three story brick messuage or tenement thereon erected, SITUATE on the East side of 20th Street at the distance of 78 feet Southward from the South side of Poplar Street in the 15th Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said 20th Street 20 feet 4 inches and extending in length or depth Eastward of that width between lines parallel with Poplar Street 65 feet to the West side of Opal Street (late Matlack Street).

TOGETHER as respects to Premises "A" with the free use, right, liberty, and privilege of the said alley leading into Flora Street for a passageway and watercourse at all times hereafter, forever.

1907 Brown Street

ALL THAT CERTAIN lot or piece of ground with the buildings and improvements thereon erected.

SITUATE in the 15th Ward of the City of Philadelphia.

SITUATE on the North side of Brown Street 56'10" Eastward from the East side of Uber Street.

CONTAINING on Brown Street 14' and extending 57'.

BEING KNOWN AS PREMISES NO: 1907 BROWN STREET

1909 Brown Street

ALL THAT CERTAIN lot or piece of ground with the buildings and improvements thereon erected.

SITUATE in the 15th Ward of the City of Philadelphia.

SITUATE on the North side of Brown Street 42'10" Eastward from the East side of Uber Street.

CONTAINING on Brown Street 14' and extending Northward between lines parallel with said Uber Street 57'.

1917 Brown Street

ALL THAT CERTAIN lot or piece of ground with the buildings and improvements thereon erected.

SITUATE on the corner formed by the intersection of the North side of Brown Street with the Westside of Uber Street, in the 15th Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said Brown Street 15' and extending if that width in length or depth Northward between parallel lines at right angles to the said Brown Street, the East line thereof along with said West side of Uber Street, 69' to a certain 3' wide alley that extends Eastward and Westward into and from said Uber Street.

TOGETHER with the free and common use, right, liberty and privilege of the aforesaid alley as and for a passageway and watercourse at all times hereafter, forever.

867 N. Uber Street

ALL THOSE CERTAIN lots or pieces of ground located in the 15th Ward of the City of Philadelphia with the buildings and improvements thereon erected being bounded and described as follows:

SITUATED at a point on the Easterly side of N. Uber Street (50' wide) at a distance of 107' - 10" Southward from the Southerly side of Poplar Street.

CONTAINING In front or breadth on Uber Street 14'-2" and extending of that width in length or depth Eastward between parallel lines at right angles to Uber Street a distance of 63'-10' to the Westerly side of 14'-0" wide alley.

**DECLARATION OF RESTRICTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS**

THIS INDENTURE (the "Declaration"), made as of _____, 201____, by _____, a [*Pennsylvania corporation, limited liability company, limited partnership*] ("Owner"), with offices located at _____.

WITNESSETH

WHEREAS, Owner is purchasing certain real estate located at _____ (the "Property") from the Philadelphia Land Bank (the "Land Bank"), a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania, with offices at 1234 Market Street, 17th Floor, Philadelphia, Pennsylvania, 19107;

WHEREAS, Owner desires to construct on the Property _____ () single family homes and related site improvements (individually, a "Home") which will be sold to an Original Buyer or Qualified Purchaser (as defined below);

WHEREAS, the Land Bank desires to advance the public interest in the creation and retention of workforce housing within the City of Philadelphia (the "City") and to assure that resale of a Home is at a price that continues its affordability to a Qualified Purchaser;

WHEREAS, the Land Bank will convey the Property to Owner for nominal consideration as Owner has agreed to develop the Property for sale to an Original Buyer;

WHEREAS, Owner has agreed to subject the Property to the covenants, conditions and restrictions set forth below.

NOW, THEREFORE, in consideration of conveyance of the Property at nominal value and in order to fulfill the above-stated public interest, and for other good and valuable consideration, Owner, for itself, its successors and assigns, hereby declares that from this date forward the Property is and shall be held, transferred, sold, conveyed, used, occupied, and encumbered subject to the conditions and restrictions set forth below as if said covenants were set forth in the deed by which Owner acquired title to the Property, and said conditions for all purposes shall be deemed to run with the land.

1. The Preambles of this Declaration are incorporated herein as though set forth in full.

2. In addition to the terms defined above, the following terms, when used in this Declaration, shall have the following meanings:

Adjusted Purchase Price means the sum of i) the Purchase Price; ii) the reasonable and customary closing costs paid by either the Original Buyer or a Qualified Purchaser, as the case may be, at the time of their purchase and iii) reasonable and customary closing costs estimated to be paid by either the Original Buyer or a Qualified Purchaser, as the case may be, upon the sale of the Home.

Affordable Price means the Adjusted Purchase Price as increased (but not decreased) by the percentage change in the Consumer Price Index for All Urban Consumers for the Philadelphia, Wilmington, Atlantic City area for All Items (1982-84=100) as published by the U.S. Department of Labor ("CPI-U") which has occurred between the date of purchase by the Original Buyer or the Qualified Purchaser, as the case may be, and the date the Home is listed for sale. If the format or components of the CPI-U are materially changed after the date of sale to the Original Buyer, The Land Bank may substitute an index that is published by the Bureau of Labor Statistics or similar agency, which is comparable to the CPI-U.

By way of illustration, the Adjusted Purchase Price shall be multiplied by a fraction, the denominator of which is the CPI-U for the month and year the Home is listed for sale and the numerator of which is the difference between the CPI-U for the month and year the Home is listed for sale and the CPI-U for the month and year of the purchase of the Home, which product shall then be added to the Adjusted Purchase Price to arrive at the Affordable Price.

Extended Compliance Period means an additional ten (10) year term beginning on the date of each Transfer which occurs during the Original Compliance Period or, if applicable, an Extended Compliance Period. However, an Extended Compliance Period and this Declaration shall terminate automatically on a date which is thirty (30) years from the beginning of the Original Compliance Period.

First Mortgagee means a bank, financial institution or other institutional lender that provides financing which is secured by a first lien mortgage on a Home.

Original Compliance Period means a period of ten (10) years beginning on the date of sale to the Original Buyer.

Original Buyer means an individual(s), as approved by the Land Bank, who is purchasing the Home from the Owner and whose household income at the time of purchase does not exceed one hundred and twenty percent (120%) of the median family income for the area as determined by the United States Department of Housing and Urban Development ("HUD").

Purchase Price means the stated consideration as appears on the deed conveying the Home from Owner to the Original Buyer or subsequent deed to a Qualified Purchaser.

Qualified Purchaser means an individual(s), as approved by the Land Bank, who is purchasing the Home from the Original Buyer (or other Qualified Purchaser) and whose household income at the time of purchase does not exceed one hundred and twenty percent (120%) of the median family income for the area as determined by HUD.

Transfer means the sale, transfer, conveyance or other disposition of a Home but shall exclude any conveyance for nominal consideration which occurs as part of marriage, divorce, or death. The grantee of such nominal consideration transfer shall be considered the “Original Buyer” or “Qualified Purchaser”, as applicable.

3. Owner, and any successor in title, shall not sell or transfer the Property or any portion thereof without the prior written consent of the Land Bank.

4. Following the issuance of a Certificate of Occupancy by the City’s Department of Licenses and Inspections, Owner shall sell each Home to an Original Buyer at a price approved in writing by the Land Bank, which price shall not exceed Two Hundred Thirty Thousand Dollars (\$230,000).

5. During the Original Compliance Period or Extended Compliance Period, if applicable, the following conditions shall apply to each Home:

a. The Home must be owned and occupied as the principal residence of the Original Buyer or Qualified Purchaser.

b. Original Buyer or Qualified Purchaser will not complete a Transfer of the Home without first offering the Home to the Land Bank in writing at the Affordable Price. Such offer shall require the Original Buyer or Qualified Purchaser to deliver a special warranty deed, free and clear of all liens and encumbrances and each party shall pay the customary apportionment of real estate taxes, utility service charges and transfer taxes. The Land Bank shall have thirty (30) days to notify the Original Buyer or Qualified Purchaser in writing of its intent to exercise this right of first refusal and an additional thirty (30) days to complete the purchase of the Home.

c. Except for a Transfer to the Land Bank pursuant to section 5(b), any Transfer must be to a Qualified Purchaser for an Affordable Price as approved by the Land Bank.

6. This Declaration shall automatically terminate for a Home upon any of the following events:

a) At the end of the Original Compliance Period, if no Transfer occurs prior to that date; or

b) Upon a transfer pursuant to a foreclosure sale to the First Mortgagee, a deed-in lieu of foreclosure to the First Mortgagee or an assignment of the first mortgage to the Secretary of HUD; or

c) Thirty (30) years from the date of the sale from Owner to the Original Buyer.

7. This Declaration may be terminated by the Land Bank in its sole discretion.

8. Owner, its successors and assigns, shall not discriminate on the basis of race, color, religion, sex or national origin in the sale or in the use or occupancy of this Property or any improvements to be erected thereon.

9. Owner, for itself, its heirs, successors and assigns, agrees that said conditions and restrictions shall be **COVENANTS RUNNING WITH THE LAND**, and that in any deed of conveyance of the Property or any part thereof, said conditions and restrictions shall be incorporated by reference to this Declaration and the record hereof or as fully as the same are contained herein.

10. The covenants, conditions and restrictions contained herein may be enforced by the Land Bank, its successors and assigns or the City.

IN WITNESS WHEREOF, Owner has executed this Declaration the day and year first above written.

Attest:

BY: _____

COMMONWEALTH OF PENNSYLVANIA :
 : ss
COUNTY OF PHILADELPHIA :

On this, the ____ day of _____, 2016, before me, the undersigned Notary Public in and for the State and County aforesaid, personally appeared, who acknowledged himself to be the _____ of _____, a corporation, and further acknowledged that he, being authorized to do so, executed the foregoing instrument as the act and deed of for the purposes therein contained

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission expires: