



**REQUEST FOR PROPOSALS (RE-ISSUE)
HOMEOWNERSHIP WORKFORCE HOUSING
SCATTERED SITES 19123 ZIP CODE**

OCTOBER 2016

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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 moderate income households.

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

- 1. 627-29 N. 11th Street**
- 2. 632 N. 11th Street**
- 3. 634 N. 11th Street**
- 4. 640 N. 11th Street**
- 5. 1019 Wallace Street**
- 6. 1021 Wallace Street**
- 7. 1110-14 Wallace 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 homeownership family-style 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% of the area median income.

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

- Increase the availability of affordable housing opportunities within close proximity to Center City Philadelphia for residents that are generally priced out of housing real estate market close to the downtown employment center;
- Follow best practices of other cities and leverage publicly owned land as the only subsidy;
- Most importantly, the program will 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 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 Covenant. The covenant requires that the homebuyer:

- For a period of ten (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 ten (10) year affordability period, the subsequent purchaser must be a person or family whose household income does not exceed 120% of the median family 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 ten year affordability period, the affordability period will be renewed at each subsequent sale until the expiration of a period of thirty (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 (2) most recent paystubs, previous two (2) 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	November 2, 2016
RFP Briefing (1234 Market Street, 17 th Floor at 2:00PM	November 9, 2016
Questions and/or Requests for Additional Information Due	November 11, 2016
Questions & Answers posted to Land Bank website*	November 15, 2016
Proposals Due	November 22, 2016
Respondent(s) Selected	December 22, 2016

* All questions or comments regarding this RFP must be submitted in written form via email to Susan.Callanen@pra.phila.gov. Questions will not be accepted via telephone.

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. The Statement of Qualifications must include a section detailing the Developer's experience dealing with public funds and/or properties

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 access to capital (i.e. Line of Credit with statement of available funds, personal or business bank statements, commitment letter from private investors), and
- 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 rendered 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

The proposed development should take into consideration the local context and provide attractive, well-designed infill units that enhance the quality of the built environment. One or more units may be developed on individual parcels; however, preference will be given to proposals including 3 bedroom/2 bathroom units. Proposals incorporating 1 bedroom units, units with dwelling space in basements and units with front loaded parking are strongly discouraged.

Structures should be sensitive to the pedestrian environment through building facades that are engaging and put many 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.

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

We also encourage developers 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.

Effort must be made to comply with the existing underlying 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

In addition to completing the "City of Philadelphia Economic Opportunity Plan" (Exhibit E), the development team should demonstrate their experience working with MBE & WBE firms. If applicable, provide a list of previous projects that required MBE/WBE participation and the level of EOP goals attained.

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 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 (form 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 thirty 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. A copy of this Certificate is attached as Exhibit F.

H. Campaign Disclosure Forms

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

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. A copy of this form is attached as (Exhibit H).

5. Evaluation/Selection

Initially 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 & 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 Land Bank are the most important sources of information upon which Land Bank may 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 a course of action to Land Bank Board of Directors. 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.

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 the Land Bank executing an Agreement and construction commencing. 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 I). At this time the Proposal Deposit is credited toward the deposit required under the Land Bank Agreement;
3. City Vacant Property Review approval of the proposed project & use;
4. City Council approval of the proposed project & use;
5. Approval by the Land Bank Board of Directors;
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.

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 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 or default by the Developer, the Land Bank &/or City shall have the right, at its election, to:

1. Rescind its selection of the Developer; or
2. Declare null and void an Agreement that may already have been executed; and/or
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 Disabled 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; will at any time during the term of the agreement be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. Please complete the Philadelphia Tax Status Certification and Conflict of Interest forms and submit them with your proposal.

Campaign Contribution Disclosure Forms: Please complete the applicable disclosure forms and submit with your 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 no portion of performance of the contract shall be subcontracted 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 (3) original copies of the proposal and one electronic copy on CD to the Land Bank no later than November 22, 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, non-profit, 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: 1) applicants or principals of applicants are substantially similar or substantially related parties; or 2) 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:

ATTN: Workforce Housing 19123 RFP
Philadelphia Land Bank
1234 Market Street, 17th Floor
Philadelphia, PA 19107

Contact for Additional Information

All questions and requests for additional information should be directed in writing to Susan Callanen at Susan.Callanen@pra.phila.gov. Questions will only be accepted until November 11, 2016. Questions and/or requests for additional information and the Land Bank responses to them will be posted on the Land Bank website.

NOTICE: The Philadelphia Land Bank is subject to the Pennsylvania Right to Know Law. Any information provided in your response to this Request for Proposals may be subject to disclosure to the public.

627-629 North 11th Street.

ALL THAT CERTAIN message or tenement and lot or piece of ground,

SITUATE on the Northeast corner of 11th and Lemon Streets in the 14th Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said 11th Street 34 feet and extending Eastward in length or depth 59 feet, 4 inches the North line thereof being at right angles with said 11th Street.

BOUNDED Northward by ground now or late of John and George Williams Eastward partly by the head of a 3' wide alley running Eastward into a 4 feet wide alley communicating with said Lemon Street, Southward by said Lemon Street and Westward by said 11th Street.

BEING NOS. 627-629 North 11th Street.

632 North 11th Street.

ALL THAT CERTAIN three story brick message or tenement and lot or piece of ground.

SITUATE on the West side of 11th Street at the distance of 68 feet Southward from the South side of Wallace Street in the 14th Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said 11th Street 17 feet and extending in length or depth Westward between parallel lines at right angles with the said 11th Street on the North line thereof 85 feet, 11 and $\frac{3}{4}$ inches and on South line thereof 86 feet, 5 and $\frac{3}{8}$ inches bounded Northward by ground now or late of Charles Hubbard Eastward by said 11th Street Southward by ground now or late of Richard French and Westward by a 3 feet wide alley running Southward into Lemon Street.

BEING KNOWN AS 632 North 11th Street.

634 North 11th Street

ALL THAT CERTAIN lot or piece of ground with the improvements thereon,

SITUATE on the West side of 11th Street at the distance of 51 feet Southward from the South side of Wallace Street in the 14th Ward of the City of Philadelphia (formerly in the District of Spring Garden).

CONTAINING in front or breadth on the said 11th Street 17 feet and extending in length depth Westward between parallel lines at right angles to the said 11th Street on the North line thereof 87 feet 11- $\frac{1}{4}$ inches and on the South line thereof 88 feet 11- $\frac{3}{4}$ inches.

BOUNDED Northward and Westward by other ground of Henry Pepper, Southward by the same partly and partly by the head of a 3 feet wide alley running Southward into Lemon Street and Eastward by 11th Street aforesaid.

UNDER AND SUBJECT to certain restriction as of record.

BEING No. 634 North 11th Street

640 North 11th Street

BEGINNING at the Intersection of the southerly side of Wallace Street and the westerly side of 11th Street;

thence extending In a southerly direction along the westerly side of 11th Street, 17 feet 0 inches, more or less, to a point;

thence extending In a westerly direction along a line of property now or late of Harold Kaplan and James J. Longhron, Jr., 82 feet 5-1/2 inches, more or less, to a point;

thence extending In a northerly direction along another line of said Kaplan and Longhron property, 22 feet 10-7/8 inches, more or less, to a point on the southerly side of Wallace Street;

thence extending In an easterly direction along the southerly side of Wallace Street, 81 feet 0-1/4 inches, more or less, to the place of beginning,

CONTAINING 0.0393 acres, more or less

BEING No. 640 North 11th Street

1110 - 14 Wallace Street

ALL those certain lots or pieces of ground with buildings and improvement thereon, being part of the Fourth Condemnation in the Model Cities Urban Renewal Area situate in Area 1, 2, 3,5, 9, 11,12, and 14 of the City of Philadelphia, consisting of 49 Parcels, described as follows:

BEGINNING at a point on the southerly wide of Wallace Street 152 feet 1/4 inch, more or less, west of the westerly side of North 11th Street;

THENCE extending in a southerly direction, along a line of property now or late of Redevelopment Authority of the City of Philadelphia, 71 feet 6-1/4 inches, more or less, to an angle point;

THENCE extending still farther in a southerly direction, along another line of said Authority property, 55 feet 5-3/4 inches, more or less to a point on the northerly side of Lemon Street

(30 feet wide);

THENCE extending in a westerly direction, along the northerly side of Lemon Street, 51 feet 0 inches, more or less, to a point;

THENCE extending in a northerly direction, along another line of said Authority property,

56 feet 7-1/2 inches, more or less, to an angle point;

THENCE extending still farther in a northerly direction, along another line of said Authority property, 73 feet 1-1/2 inches, more or less, to a point on the southerly side of Wallace Street;

THENCE extending in an easterly direction, along the southerly side of Wallace Street, 51 feet
0 inches, more or less, to the place of beginning.

CONTAINING 0.1480 acres, more or less.

BEING No. 1110 - 14 Wallace Street.

1019 Wallace Street

SITUATE on the North side of Wallace Street at the distance of 67 feet 9 inches Westward from the West side of Alder Street in the 141th Ward of the City of Philadelphia.

CONTAINING in front or breadth on the said Wallace Street 13 feet 6 inches and extending of that width in length or depth Northward between parallel lines at right angles to the said Wallace Street 46 feet 2.75 inches; bounded Northwardly and Westwardly by ground now or late of John Armbruster, Eastwardly partly by ground now or late of William May and partly by the head of a certain 2 feet 8 inches wide alley leading Eastwardly into Alder Street and Southwardly by Wallace Street.

BEING NO. 1019 Wallace 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.

1021 Wallace Street

All those certain lots pieces of ground with the buildings and improvements thereon being the Fourth Condemnation in the Model Cities Urban Renewal situate in Areas 1, 2, 3, 5, 9, 11, 12, and 14 of the City of Philadelphia, consisting of 49 Parcels, described as follows:

AREA 1: Consisting of 6 parcels, described as follows:

PARCEL NO.1

BEGINNING at the intersection of the northerly side of Wallace Street (50 feet wide) and the easterly side of Warnock Street (30 feet wide);

Thence extending in a northerly direction along the easterly side of Warnock Street, 65 feet 4-5/8 inches, more or less, to a point;

Thence extending in an easterly direction along a line of property now or late of the Redevelopment Authority of the City of Philadelphia, 52 feet 0 inches, more or less, to a point;

Thence extending in a southerly direction along another line of said Redevelopment Authority property, 22 feet 9-3/4 inches, more or less, to a point on the northerly side of a 2 feet 8-3/4 inch wide alley;

Thence extending in a westerly direction along the northerly side of said alley, 33 feet 9-3/8 inches, more or less, to a point;

Thence extending in a southerly direction along another line or the aforesaid Redevelopment Authority property, crossing the head of said alley, 46 feet 2-3/4 inches, more or less, to a point on the northerly side of Wallace Street, 15 feet 0 inches, more or less, to the place of beginning, containing 0.0427 acres, more or less, and;

BEING No. 1021 Wallace Street

**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:

Exhibit "A"

Legal Descriptions