

APN: 001-021-08

Mail Tax Statement to:

Recording Requested by:  
Nevada Housing Division  
1830 E. College Parkway, Suite 200  
Carson City, Nevada 89706

1175839

Per NRS 239B.030, this document does not contain personal information as defined in NRS 603A.040.

**DECLARATION OF RESTRICTIVE COVENANTS**

**PIOCHE APARTMENTS**

**RECITALS**

WHEREAS, PIOCHE APARTMENTS LLC, a Nevada limited liability company, having its principal offices located at 3695 Desatoya Drive Carson City, Nevada 89701 ("Owner"), entered into a loan agreement with the NEVADA HOUSING DIVISION ("Division") whereby the Division loaned National Housing Trust Funds ("Trust Funds") pursuant to the National Housing Trust Fund Program ("Program") to Owner to construct/rehab an affordable housing project known as Eagles Landing Apartments (the "Project"), located on property legally described in Exhibit A attached hereto and incorporated herein, (the "Land"); and

WHEREAS, Federal regulations (24 CFR Part 93) for Trust Funds require the Project be rent restricted for a Period of Affordability; and

WHEREAS, The Project has received Trust Funds and hereby covenants and agrees that this Declaration of Restrictive Covenants shall run with the Land, and be binding on all subsequent owners during the Affordability Period, regardless of whether the loan has been repaid, and

NOW THEREFORE, the Parties agree that the Land and Project are hereby bound, and encumbered, as follows:

**I. DEFINITIONS.**

- A. "Agreement" means the National Housing Trust Fund loan agreement executed on May 23, 2024, by and between the Division and Owner.
- B. "Annual Income" has the meaning ascribed to it in 24 CFR §93.151(b).
- C. "Declaration" means this Declaration of Restrictive Covenants.

SIGNED IN COUNTERPART

- D. "Deed of Trust" means the Deed of Trust executed by and between the Division and Owner securing the repayment of the Note.
- E. "Eligible Tenant" means households who are eligible families in accordance with the income targeting requirements set forth in 24 CFR §93.250.
- F. "Period of Affordability" means 30 years from the date of completion of the Project.
- G. "Note" means the Promissory Note executed in connection with the Agreement.
- H. "Rent Limits" has the definition ascribed to it in 24 CFR §93.302(b).
- I. "Units" means the seven housing units set aside for Program recipients in accordance with the Agreement.

## II. COVENANT RUNNING WITH THE LAND; TERM.

- A. Owner hereby acknowledges and agrees that this Declaration constitutes a covenant running with the Land for the benefit of the Division and its successors and assigns and that the Declaration shall pass to and be binding upon all heirs, successors, and assigns of the Owner.
- B. Owner hereby declares that the Project shall be held, conveyed, encumbered, leased, used, occupied and otherwise affected in any manner subject to this Declaration.
- C. The term of this Declaration and the Period of Affordability shall be 30 years beginning on the date of completion of the Project.

## III. NATIONAL HOUSING TRUST FUND REQUIREMENTS.

- A. **Affordability Requirements.** The Period of Affordability for the Project shall be 30 years beginning on the date of completion of the Project. The Period of Affordability applies regardless of an early repayment of the Note or a transfer of ownership of the Project.
- B. **Income Restrictions.** During the Period of Affordability each Unit shall be set aside and rented to Eligible Tenants. The Units may be floating units so long as the total number of Units are continuously maintained. Fixed Units must remain the same throughout the Period of Affordability.
- C. **Rent Limitations:**
  - 1. For Extremely low-income tenants, rent plus utilities shall not exceed the greater of 30 percent of the federal poverty line or 30 percent (30%) of the income of a family whose annual income equals 30 percent of the Area Median Income for the area in which the Project is located.
  - 2. For Very-low-income tenants, rent plus utilities shall not exceed 30 percent of the income of a family whose annual income equals 50 percent of the Area Median Income for the area in which the Project is located.

3. If the Unit receives federal or state project-based rental subsidy, the tenant shall pay a contribution toward rent of not more than 30 percent of the tenant's adjusted income, and the rent shall not exceed the rent allowable under the project-based rental subsidy.
4. The Division will annually review and approve that the rents charged by the Owner are consistent with the Agreement and this Declaration.

**D. Tenant Income:**

1. Each tenant's income will be determined initially in accordance with 24 CFR §93.151.
2. Annually during the Period of Affordability Owner will review each tenant's Annual Income as set forth in 24 CFR §93.151(c).
3. If a tenant's Annual Income exceeds the income limits, the Unit may continue to qualify as a Unit if actions are taken by Owner to ensure that all vacancies are filled with Eligible tenants.

**E. Tenant Selection.** Tenants must be selected in accordance with 24 CFR §93.303.

**F. Tenant Protections:**

1. Each Unit must be secured by a written lease between the tenant and the Owner for a period of not less than one year and are subject to the provisions of NRS 118A.200 through 118A.230, inclusive.
2. Each lease must incorporate the Violence Against Women Act terms as set forth in 24 CFR §93.356(d).
3. Owner shall comply with the provisions of Chapter 118A as it applies to dwellings.
4. Leases may not contain the following terms:
  - a. An agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the Owner in a lawsuit brought in connection with the lease.
  - b. An agreement by the tenant that the Owner may take, hold, or sell the personal property of the tenant or household members without notice to the tenant and a court decision on the rights of the parties.
  - c. An agreement by the tenant not to hold the Owner or Owner's agents legally responsible for any action or failure to act, whether intentional or with negligence.
  - d. An agreement of the tenant that the Owner may institute a lawsuit without notice to the tenant.
  - e. An agreement of the tenant that the Owner may evict the tenant or household members without instituting civil court proceedings.
  - f. An agreement of the tenant waiving his or her right to a jury trial or right to appeal a court decision in connection with the lease.
  - g. An agreement of the tenant to pay attorneys' fees or other legal costs even if the tenant wins in a court proceeding by the Owner against the tenant.
  - h. An agreement by the tenant to accept supportive services, if any are offered by Owner.
5. Owner shall not terminate the lease or refuse to renew a lease except for serious or repeated violations of the terms and conditions of the lease or state or federal law or Good Cause shown. "Good Cause" as used in this subparagraph 4 does not include an increase in the tenant's income. If Owner wishes to terminate the lease or refuse to renew the lease, the Owner must serve the tenant with written notice specifying the

grounds for termination or non-renewal and providing a specific time period by which the tenant must vacate the Unit.

6. Owner must comply with the affirmative marketing requirements set forth in 24 CFR §93.350 and must adopt and follow tenant selection policies and criteria that:
  - a. Limit the Unit to Eligible Tenants.
  - b. Are reasonably related to the Eligible Tenants' ability to perform the obligations of the lease.
  - c. Limit eligibility or give a preference to a particular segment of the population, if authorized by the Division. Such preferences must not violate nondiscrimination requirements set forth in 24 CFR §93.350.
  - d. Do not exclude an Eligible Tenant with a voucher under Section 8 Tenant-Based Assistance.
  - e. Provide for the selection of tenants from a written waiting list in chronological order of their application to the extent possible and give prompt written notice of any rejected application and the grounds for such rejection.
  - f. Comply with the Violence Against Women Act requirements set forth in 24 CFR §93.356.

**G. Lead-Based Paint.** Units are subject to 24 CFR Part 35, subparts A, B, J, K, and R.

**H. Displacement, Relocation, and Acquisition.** The provisions of 24 CFR §93.352 shall apply to any tenant that is displaced as a result of construction of the Project.

#### **IV. FINANCIAL MANAGEMENT AND RECORDS.**

- A. Owner agrees to comply with the requirements of the United States Office of Management and Budget (OMB) "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" codified at 2 CFR part 200, Subparts A through F, inclusive. Owner agrees that all costs related to the Project shall be properly documented and supported by checks, payrolls, records, including, without limitation, time records, invoices, contracts, orders, vouchers, or other accounting documents. Owner shall provide such documents upon request by the Division.
- B. Owner shall keep all records associated with the Project in such form as to allow the Division to determine compliance with the requirements of this Declaration and 24 CFR Part 93.
- C. Owner shall maintain records in accordance with the requirements set forth in 24 CFR §93.407.
- D. Owner shall provide the Division with tenant records on an annual basis and as requested by the Division to ensure compliance with this Declaration and 24 CFR Part 93.

#### **V. INSPECTIONS.**

Owner shall allow duly authorized representatives of the Division to conduct inspections and otherwise monitor the Project for compliance with this Declaration and 24 CFR Part 93. The Division will provide Owner 48-hour prior notice of such inspections.

#### **VI. INDEMNIFICATION AND LIABILITY INSURANCE.**

- A. Indemnification.** To the fullest extent provided by law, Owner will protect, defend, indemnify, and save and hold harmless the Division, its employees, agents and contractors, from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons, caused by the negligence, gross negligence or intentional act of Owner or its agents pursuant to this Declaration
- B. Insurance.** During the Period of Affordability, Owner agrees to maintain insurance: (i) insurance with respect to improvements against loss or damage by fire or any risk included under "fire and extended coverage" policies and any other hazard the Division so requires as of the date hereof, in an amount approved by the Division as of the date hereof, with a replacement cost endorsement without depreciation; (ii) insurance with respect to improvements against loss or damage by fire or any risk included under "fire and extended coverage" policies and any other hazard Beneficiary so requires as of the date hereof, in an amount approved by Beneficiary as of the date hereof, with a replacement cost endorsement without depreciation; and (iii) flood insurance, if the Property is designated as part of a flood plain or otherwise comes under the requirements of the Federal Flood Insurance Act of 1968, as amended, or any similar state or federal law.

#### VII. DEFAULT AND REMEDIES.

- A.** A default under this Declaration occurs when Owner materially breaches any provision of the Declaration.
- B.** The Division will provide Owner with written notice of any default of this Declaration. Owner shall have thirty (30) days to cure said default or if Owner is diligently pursuing a cure for the default, such cure period may be extended as necessary to complete such cure.
- C.** If Owner is still in default of this Declaration after the cure period, the Division may exercise any remedy available by law to it, including, without limitation, acceleration and demand payment under the Note, Deed of Trust or Loan Agreement, or injunctive relief for specific performance of the rent restrictions or other obligations under this Declaration.
- D.** Failure of the Division to give notice of default shall not constitute a waiver of any default.
- E.** If the Division or Owner bring an action or proceeding to enforce the provisions of this Declaration, the prevailing party shall be entitled to reasonable attorney's fees and costs.

#### VIII. MISCELLANEOUS.

- A. Assignment or Transfer of Project.** This Declaration is a covenant running with the land and is binding on all future owners of the Project and their heirs, successors, trustees, and assigns. Except for transfers permitted under the Deed of Trust, the Division's consent is required for any transfer of the Project which shall not be unreasonably withheld. Any unauthorized transfer is void.
- B. Severability.** If any provision of this Declaration shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

- C. **Applicable Law and Jurisdiction.** This Declaration shall be governed by and enforceable in accordance with the laws of the State of Nevada. Jurisdiction shall be First Judicial District Court in and for Carson City, Nevada.
- D. **Amendments.** Any terms of this Declaration may be amended upon agreement by the Parties.
- E. **Counterparts.** This Declaration may be contemporaneously executed in counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, this Declaration of Restrictive Covenants has been executed by the duly authorized representatives of the Owner dated below.

Pioche Apartments LLC,  
a Nevada limited liability company

By: Pioche Apartments Manager LLC,  
a Nevada limited liability company,  
its Managing Member

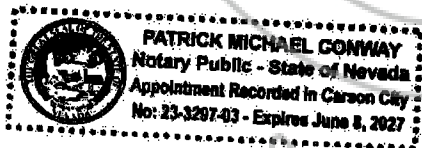
By: Nevada Rural Housing Authority,  
its sole member

By: Beth A. Dunning  
Name: Beth A. Dunning  
Title: Director of Community Development

STATE OF NEVADA )  
Carson City ) SS  
COUNTY OF LINCOLN )

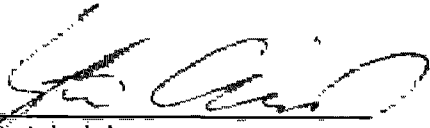
This instrument was acknowledged before me on May 9th, 2024, before me, a Notary Public, personally appeared Beth Dunning, who did say that she is Director of Community Development for Nevada Rural Housing Authority, personally appeared before me a Notary Public in and for said County and State, and is known to me to be the person described in and who executed the within and foregoing instrument, and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Patrick Michael Conway  
(Signature of notarial officer)



NEVADA HOUSING DIVISION

By:



Steve Aichroth, Administrator  
Nevada Housing Division

AICHROTH

State of Nevada )  
 )ss  
City of Carson City )

On this 10 day of May, 2024, before me, a Notary Public, personally appeared Steve Aichroth, who did say that he is the Administrator, personally appeared before me a Notary Public in and for said County and State, and is known to me to be the person described in and who executed the within and foregoing instrument, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County of Carson City, the day and year first above written.

Notary Public Amber Michelle Baker My commission expires 10-19-2026

Amber Michelle Baker  
Notary Public



**EXHIBIT A  
LEGAL DESCRIPTION**

**THAT PARCEL OF LAND SITUATED WITHIN THE SOUTHEAST  
QUARTER (SE ¼ ) OF SECTION 15, TOWNSHIP 01 NORTH,  
RANGE 67 EAST, M.D.B. & M., LINCOLN COUNTY, NEVADA, AND  
FURTHER DESCRIBED AS FOLLOWS:**

**PARCEL 4A OF DIVISION OF LAND SUBSEQUENT PARCEL MAP  
FOR LINCOLN COUNTY HOUSING AUTHORITY A POLITICAL  
SUBDIVISION OF NEVADA RECORDED AS DOCUMENT 2022-  
162914 AT LINCOLN COUNTY RECORDER'S OFFICE ON AUGUST  
16, 2022.**

**A.P.N, 001-021-08**