**STATE OF ALABAMA** ) This instrument prepared by (and after recording return to):

\_\_\_\_\_\_\_\_\_\_\_\_ **COUNTY** )

Alabama Housing Finance Authority

Attention: Multifamily Manager

7460 Halcyon Pointe Drive, Suite 200

P.O. Box 242967

Montgomery, Alabama 36124-2967

**LIMITED TERMINATION AND RELEASE**

**OF DECLARATION OF LAND USE RESTRICTIVE COVENANTS**

**FOR LOW-INCOME HOUSING TAX CREDITS**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, an Alabama Limited Partnership (the "Owner''), and the ALABAMA HOUSING FINANCE AUTHORITY, a public corporation and instrumentality of the State of Alabama (the "Authority"), have entered into that certain Declaration of Land Use Restrictive Covenants for Low-Income Housing Tax Credits recorded in the office of the Judge of Probate of \_\_\_\_\_\_\_\_\_\_\_\_ County, Alabama, at instrument Book \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (together with any amendments or addendums thereto, the "Declarations"). Capitalized terms not otherwise defined in this instrument shall have the meanings given to such terms in the Declarations.

1. The Owner has duly requested pursuant to Section 6 of the Declarations that the Authority terminate the Extended Use Period, and the conditions for such termination have been met.
2. Except to the extent provided paragraph 3 below, the Authority does hereby terminate and release the Declarations, effective on \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_**[[1]](#footnote-1)** (the "Effective Date").
3. Notwithstanding any other provision of this instrument, for a period of three years following the Effective Date, the Project shall remain subject to Section 6(c) of the Declarations, and the Owner and its successors in title shall not evict or terminate the tenancy of an existing tenant of any Low-Income Unit other than for good cause and shall not increase the gross rent with respect to any such Low-Income Unit other than as permitted under Section 42 of the Code. If the Owner complies with the requirements contained in this paragraph 3 for three years after the Effective Date, all such rights and restrictions shall expire automatically on the third anniversary of the Effective Date, and the Declarations will be fully and finally terminated and released without further action by the Owner or the Authority.

IN WITNESS WHEREOF, the Authority has executed and delivered this instrument by and through its duly authorized officer on the date indicated in the notarial acknowledgement below.

ALABAMA HOUSING FINANCE AUTHORITY

By:

David C. Young

Its: Multifamily Administrator

1. Note to Drafter: Insert the date that is one year after the date AHFA received Owner’s request which, as determined by AHFA, met the requirements in the Qualified Contract Policies and Procedures. [↑](#footnote-ref-1)