

Exhibit A

Declaration of Covenants and Restrictions

This Declaration of Covenants and Restrictions (“Declaration”) is made and entered into by and between the **MAINE STATE HOUSING AUTHORITY**, with a mailing address of 26 Edison Drive, Augusta, Maine 04330 (“MaineHousing”), and ***NAME OF PURCHASER***, with a mailing address of _____ (“Purchaser,” which term shall mean the initial owner of an Affordable Homeownership Unit as defined herein and any subsequent owner of that Affordable Homeownership Unit).

Whereas, MaineHousing provided a forgivable loan to the developer of the subdivision where Purchaser’s Affordable Homeownership Unit is located to assist the developer with development costs associated with the subdivision and in consideration of said loan, the developer agreed to sell ***NUMBER OF HOMES*** homes in the subdivision as Affordable Homeownership Units; and

Whereas, under the Affordable Homeownership Program, an “Affordable Homeownership Unit” is a new (never previously occupied), owner-occupied single-family home which for fifteen (15) years is subject to purchase price restrictions and may be sold only to purchasers whose income is at or below a certain level; and

Whereas, Purchaser is purchasing an Affordable Homeownership Unit; and

Whereas, in consideration of the benefit received by Purchaser from the purchase of an Affordable Homeownership Unit, Purchaser has agreed to abide by the covenants and restrictions set forth in this Declaration.

Now, therefore, MaineHousing and Purchaser hereby agree as follows:

1. **Enforceability of Covenants.** The covenants and restrictions set forth in this Declaration are intended to be and shall be considered covenants that run with the real estate described in Annex A attached hereto and made a part hereof and shall bind all subsequent owners of the real estate described in said Annex A. The covenants of Purchaser set forth herein are enforceable by MaineHousing as a contract beneficiary. The covenants and restrictions set forth herein shall survive a sale, transfer, or other disposition of the Affordable Homeownership Unit by Purchaser, except that such covenants and restrictions shall not survive a sale or transfer by foreclosure to a party other than Purchaser or any member of Purchaser’s household or a transfer by deed in lieu of foreclosure.

2. **Covenants and Restrictions.** Purchaser hereby covenants and agrees that for fifteen (15) years from the date of the recording of this Declaration in the appropriate registry of deeds, the following conditions and restrictions will be and remain in effect and Purchaser shall be bound thereby:

- i. The Affordable Homeownership Unit will be occupied and used as the Purchaser’s principal residence.
- ii. The Affordable Homeownership Unit will not be used as rental property, a vacation home or investment property for short or long term periods of time.
- iii. If Purchaser’s Affordable Homeownership Unit is sold during the term of this Declaration, the purchase price of the Affordable Homeownership Unit may not exceed 70% of the purchase price limit for the applicable county under MaineHousing’s First Home Loan Program or its successor (“First Home Loan Program”).
- iv. Purchaser may sell the Affordable Homeownership Unit only (i) to a homebuyer who has applied and qualified for financing under the First Home Loan Program or (ii) to another homebuyer whose income does not exceed 120% AMI at the time of the sale of the Affordable Homeownership Unit and only in accordance with the purchase price limit applicable to the Affordable Homeownership Unit as provided herein. Purchaser shall not sell, lease or otherwise transfer, or enter into any agreement or arrangement to

sell, lease, or otherwise transfer, an Affordable Homeownership Unit except to an eligible buyer and only at a price that does not exceed the applicable purchase price limit as provided herein and otherwise in accordance with the terms of this Declaration. An executed affidavit of Purchaser (as seller) and the new buyer recorded in the appropriate registry of deeds stating that the income of the intended buyer of an Affordable Homeownership Unit is within the First Home Loan Program limits and that the purchase price of the Affordable Homeownership Unit does not exceed the applicable purchase price limit as provided in this Declaration in the form attached as Annex B shall be sufficient evidence of the matters set forth therein. **Except with respect to transfers by operation of law or foreclosure as provided herein, no transfer, sale, assignment, lease, deed, contract to sell, installment sales contract, or bond for a deed with respect to which such executed affidavit has not been recorded in the appropriate registry of deeds shall be effective to transfer title to or create an interest in the Affordable Homeownership Unit that is the subject of such transfer, sale, assignment, lease, deed, contract to sell, installment sales contract, or bond for a deed, and such transfer, sale, assignment, lease, deed, contract to sell, installment sales contract, or bond for a deed shall be void.**

- 3. MaineHousing’s Remedies for Breach by Purchaser. MaineHousing shall be entitled to all rights and remedies available at law and in equity, including injunctive relief and specific performance, to enforce the covenants and obligations of Purchaser and the restrictions set forth in this Declaration.
- 4. Amendment. This Declaration may not be amended without the written consent of MaineHousing, which, if given, shall be evidenced on the face of such amendment.

MAINE STATE HOUSING AUTHORITY

By: _____
Printed Name: _____
Its: _____

Signatures continue on following page

PURCHASER

Signature: _____

Print Name: _____

State of Maine
County of _____

Date: _____

Personally appeared the above-named _____, as
_____ of the ***NAME of PURCHASER***, and gave oath to the
foregoing and acknowledged before me the foregoing to be his/her free act and deed in his/her said capacity and
the free act and deed of the ***NAME of PURCHASER***.

Before me,

Notary Public/Attorney-at-Law

Printed Name: _____

Commission expires: _____