

**AGREEMENT
BETWEEN THE CITY OF COLORADO SPRINGS
AND
GRECCIO, HOUSING UNLIMITED, INC.
A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
FOR HOME ACQUISITION FUNDS
\$195,000**

This Agreement, between the City of Colorado Springs, a home rule city and Colorado municipal corporation ("CITY") and Greccio, Housing Unlimited, Inc., A Colorado Non-Profit Corporation ("GRECCIO") is entered into this ____ day of July, 2000.

ARTICLE I. DEFINITIONS AND IDENTIFICATIONS

1.1 "Agreement Administrator" -- The City employee responsible for overseeing, monitoring and communicating with GRECCIO during the term of this Agreement.

1.2 "Low and Moderate Income" -- The family income range defined by HUD to be at or below eighty percent (80%) of the median income for the area, with any necessary adjustments for small or large families, prevailing construction costs, fair market rents or unusually high or low family incomes.

1.3 "HOME" --Home Investment Partnership Program - Federal grants allocated to the City from HUD to provide services which primarily benefit low-income persons.

1.4 "CDBG" - Community Development Block Grant - Federal grants allocated to the City from the U.S. Department of Housing and Urban Development (HUD) to provide services which primarily benefit low income persons.

ARTICLE II. PURPOSE

The following statements, representations and explanations are made to establish the background, context and frame of reference for this Agreement and to manifest the objectives and intentions of the parties. These statements, representations and explanations are essential elements of the mutual considerations upon which this Agreement is based and are accepted as prerequisites to this Agreement.

2.1 Title I of the Housing and Community Development Act of 1974, P.L. 93-383, consolidated several existing categorical programs for community development into a single CDBG program to allow local discretion in determining community development needs and priorities. The City's needs and priorities were determined by the Mayor and City Council, City Administration, Community Development Advisory Board, neighborhood associations and citizens at large through the citizen participation process, by which citizens are provided an opportunity to comment and make suggestions on the use of federal funds.

2.2 Pursuant to 24 C.F.R. 570.200(a)(2), the projects included in the City's submission to HUD must address at least one (1) of the following three (3) National Objectives:

1. Activities benefiting low and moderate income persons (primary);
2. Activities aiding in the prevention or elimination of slums or blight; or
3. Activities meeting community development needs having a particular urgency.

2.3 This Agreement establishes the amount, duration, terms and conditions for the acquisition and rehabilitation of the Property.

2.4 GRECCIO covenants and warrants that it will expend the loan funds given hereunder in accordance with this Agreement and for no other purpose other than to acquire the Property.

ARTICLE III SCOPE OF SERVICES; AMOUNT AND TERM OF AGREEMENT & LOANS

3.1 This Agreement shall become effective on the _____ day of July, 2000, and shall terminate when the Deferred Loan has been paid in full.

3.2 Subject to the terms and conditions set forth in this Agreement, the City agrees to provide total funds in the amount of One Hundred Ninety Five Thousand and no/100 Dollars (\$195,000) during the term of this Agreement to be used for the acquisition of the property.

3.3. On May 9, 2000, City Council approved total funds in the amount of One Hundred Ninety-Five Thousand and no/100 Dollars (\$195,000) to GRECCIO to acquire a twenty-two (22) unit property located at 2631 West Pikes Peak Avenue, legally described as:

Lots 1 through 11, inclusive, in Block 158 in THE TOWN OF COLORADO CITY, NOW A PART OF THE CITY OF COLORADO SPRINGS, County of El Paso, State of Colorado

the ("Property" or the "Project").

3.4 GRECCIO shall acquire the Property no later than August 15, 2000. GRECCIO will use Property as rental housing renting 19 units to households at or below 50% of median income; and the remaining three at market rates. The project consists of 21 efficiencies and 1 one bedroom unit. The 19 HOME assisted units will be efficiencies.

3.5 One Hundred Ninety Five Thousand and no/100 Dollars (\$195,000) will be loaned to GRECCIO from the Home Investment Partnership Program Fund. The funds will be at an interest rate of zero percent (0%) deferred payment loan (the "Deferred Loan"). Repayment of the deferred loan will be due upon the sale or transfer of the Property or if the Property is no longer used to benefit low income persons or families or does not meet the requirements of this Agreement. The Deferred Payment loan will be secured by a Promissory Note and a Third Deed of Trust against the Property, copies of which shall be attached and made a part of this Agreement as Exhibit A.

3.6 Total project costs of the project for acquisition and renovation is \$708,447. Sources of funds are as follows: Division of Housing grant of \$175,000; Conventional loan \$245,000 at 8.75% interest amortized over twenty years; El Paso County Housing Authority loan \$65,000 at 4.25% interest amortized over thirty years with a 7 year balloon; the City of Colorado Springs \$195,000, 0% interest deferred payment loan; Greccio will provide the remaining funds.

ARTICLE IV HOME REQUIREMENTS:

4.1 All HOME assisted units in the Project must meet the following requirements as outlined in Subpart F of the HOME regulations (24 C.F.R. Parts 91 and 92).

Maximum per unit subsidy & subsidy layers - Section 92.250

Greccio further agrees to comply with the maximum per unit subsidy amount and subsidy layer requirements. It is understood between the parties that the maximum allowable HOME per unit subsidy limit is \$63,012 for an efficiency, \$72,230 for a one bedroom, \$87,832 for a two bedroom and \$113,624 for a three bedroom unit. The total costs involved for acquisition of the HOME-assisted units in this Project does not exceed the maximum allowable per-unit HOME subsidy.

Property Standards - Section 92.251 & Lead Based Paint - 92.355

Greccio will ensure that the new construction meets all the Property standards for new construction as listed in Section 92.251, and the lead based paint requirements in Section 92.355 upon Project completion. Lead based paint will not be used in this Project. As owner of the Property Greccio must maintain the rental housing in compliance with Section 92.251 for the duration of the Affordability Period. Greccio will insure that the Property is maintained in compliance with applicable Housing Quality Standards and local housing and health code requirements for the length of the loan.

Qualification as affordable housing: Rental housing - Section 92.252

Greccio is responsible for ensuring that the Project qualifies as affordable housing under the rental housing guidelines listed in Section 92.252. The 19 floating HOME assisted units must be occupied only by households that are eligible as low income families and must meet the following requirements to qualify as affordable housing.

Rent Limitation - Section 92.252 (a):

HUD provides the following maximum HOME rent limits. The maximum HOME rents are the lesser of:

The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or

A rent that does not exceed 30% of the adjusted income of a family whose annual income equals 65% of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the units. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

Additional rent limitations - Section 92.252(b):

In rental Projects with 5 or more HOME-assisted rental units, 20% of the HOME assisted units must be occupied by very low-income families and meet one of the following rent requirements:

(1) The rent does not exceed 30% of the annual income of a family whose income equals 50% percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under paragraph (a) of this section.

(2) The rent does not exceed 30% of the family's adjusted income. If the unit receives Federal or State Project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30% of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus Project-based rental subsidy) is the rent allowable under the Federal or State Project-based rental subsidy program. Greccio agrees to the HOME additional rent limitations.

Initial rent schedule and utility allowances - Section 92.252(c):

For all units subject to the maximum rent limitations in paragraphs (a) or (b) of this Section 92.252(c) for which the tenant is paying utilities and services, Greccio must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.

Non-discrimination against rental assistance subsidy holders:

Greccio cannot refuse to lease HOME assisted units to a certificate or voucher holder under 24 CFR Part 982 - Section 8 Tenant Based Assistance: Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable HOME tenant based assistance document.

Periods of Affordability:

Specifically, Greccio is responsible for ensuring compliance with the HOME rent limitations for the 19 floating HOME funded efficiencies during the Period of HOME Affordability which is 5 years for per unit amounts of less than \$15,000.00 per unit. The per unit amount is \$10,263.15 (\$195,000 divided by 19 units). The period of affordability will begin after the date of the last disbursement by the City to Greccio. The City's Loan Affordability Period will begin after the HOME Affordability Period ends and will continue until the loan is paid in full.

During the HOME and Loan Period of Affordability, Greccio agrees to allow the City to perform on-site property inspections of the HOME assisted rental housing as needed to determine compliance with the Property standards of Section 92.251. Greccio agrees to verify yearly the tenants income and tenant rents to comply with HOME regulations.

One hundred percent (100%) of HOME funds invested by the City in the Project will be repaid to the City if at any time prior to the end of the HOME Period of Affordability or the Loan Period of Affordability the Property does not meet these affordability standards.

Subsequent rents during the affordability period - Section 92.252(f):

Greccio agrees to comply with this HOME requirement.

Tenant Income

The income of each tenant must be determined initially in accordance with Section 92.203. In addition, each year during the HOME and loan period of affordability of the loan, Greccio must re-examine each tenant's annual income in accordance with one of the options in Section 92.203 selected by the Greccio.

An owner of a multifamily Project with an affordability period of 10 years or more who re-examines tenant's annual income through a statement and certification in accordance with Section 92.203(a)(1)(ii), must examine the income of each tenant, in accordance with Section 92.203(a)(1)(I), every sixth year of the HOME affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with Section 92.203(a)(1)(ii) is not required to examine the income of tenants in multifamily or single family Projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income. Greccio is responsible for ensuring that this Project complies with this requirement.

Over-income tenants:

Greccio agrees to monitor the Project to ensure compliance with this HOME requirement.

Fixed and Floating HOME units:

Greccio has determined that nineteen (19) HOME assisted units will be considered floating units.

Tenant and Participant protections - Section 92.253

Prior to receiving funds for the Project, Greccio will comply with all tenant and participant protections in 24 CFR 92.253 and will adhere to a fair lease and grievance procedure as required in 24 CFR 92.303.

4.2 A letter must be sent to all tenants advising them that GRECCIO will acquire the units and that the current tenants will not be displaced as a condition of sale of the Property, as a result of rehabilitation of the Property or so that GRECCIO applicants can move into the Property. GRECCIO further agrees that if claim(s) for relocation benefits under the Uniform Relocation Assistance and Real Property Acquisition Act, as amended (“URA”)(42 U.S.C. Section 4601) should arise as a result of the acquisition of this Property, GRECCIO will assume full legal and financial responsibility for settling such claim(s).

4.3 Greccio will provide the City with a copy of a letter signed by the seller of the Property stating that the sale was a voluntary sale.

4.4 GRECCIO will assign a staff person to assist the tenants with their financial and rental needs, if necessary.

4.5 GRECCIO agrees to hold a neighborhood meeting to explain the project to concerned citizens and answer questions.

ARTICLE V LOAN DISBURSEMENT & LOAN CLOSING:

5.1 City will provide the acquisition loan funds in the total amount of \$195,000 payable to Greccio and the title company at the time of loan closing on or before July 31, 2000

5.2 GRECCIO will provide the City with a check in the amount of \$3,679.00 at the loan closing for payment of the HOME pre-development loan.

ARTICLE VI. REQUIRED REPORTS AND INFORMATION

6.1 GRECCIO must maintain all records demonstrating compliance with the applicable uniform administrative requirements required by 24 CFR 570.505.

- a) Financial records required by OMB Circular A-133 and OMB Circular A-122.
- b) Other records necessary to document compliance with the HOME & CDBG program.
- c) GRECCIO must submit a report documenting all types, sources and amounts of matching funds (i.e. cash, materials, or labor donations) utilized on the Project. A form for this report is attached as Exhibit B and made a part of this Agreement.
- d) In October of each year during the Period of Affordability & Loan Affordability period, GRECCIO will provide the City with an Affordable Housing Program Compliance Report providing income, ethnicity, familial status (male or female), head of household, disabled), family size, monthly rent, and utility information for all occupants of the nineteen floating HOME assisted units during the past year.

6.2 GRECCIO shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of all activities funded under this Agreement, or after resolution of all Federal audit findings, whichever occurs later. Records for non-expendable Property acquired with funds under this Agreement shall be retained for four (4) years after disposition of that Property. Records for any displaced persons must be kept for four (4) years after final payment has been received.

6.3 If any program income is received, GRECCIO shall report (monthly/quarterly) all program income, defined at 24 C.F.R 570.500(a)(2), generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by GRECCIO shall comply with the requirements set forth at 24 C.F.R. 570.504. All unused program income must be returned to the City at the end of the Agreement period, unless the City permits GRECCIO to use program income for other eligible CDBG activities. GRECCIO must obtain written permission from the City. These funds will still be governed by the rules and regulations of the CDBG program and reporting requirements must be met.

6.4 All reports, information or assurances required to be kept by GRECCIO, if maintained in an electronic format, shall be Year 2000 compatible and capable of accurately reading, producing, presenting and calculating date data from, through and after the Year 2000, including accurate treatment of leap years. Any request for reimbursement and supporting documentation submitted to the City in an electronic format shall also be Year 2000 compatible and capable of accurately reading, producing, presenting and calculating date data from, through and after the Year 2000.

6.5 The City will conduct on-site property inspections of a random sample of the units every two years.

ARTICLE VII. FEDERAL REQUIREMENTS:

Greccio agrees to comply with all applicable Federal guidelines and regulations relative to the program, including but not limited to the following:

Affirmative Marketing - Section 92.351

Affirmative marketing requirements for rental Projects as defined at Section 92.351 apply because the total number of HOME assisted units is five or more. Greccio agrees to abide by this requirement.

Recognition of matching contribution - Section 92.219, 92.220, 92.221, 92.222

Greccio will submit to the City no later than thirty (30) days after completion of the Project, an itemized list of eligible forms of matching contributions as outlined in Sections 92.219, 92.220, 92.221, and 92.222 including one or more of the following: cash contributions from nonfederal sources, forbearance of fees, donated real Property, proceeds from multifamily and single family affordable housing Project bond financing funds, and other forms of contributions.

Section 504 of Rehabilitation Act of 1973

It is understood between the parties that if the Project relates to a structure with more than fifteen (15) units, the requirements of Section 504 of the Rehabilitation Act of 1973, as amended and as described in 24 CFR Part 8, Section 8.22 New Construction-housing facilities do apply. New construction multi-family rental properties shall be designed and constructed to be readily accessible to and usable by individuals with handicaps. A minimum of five percent (5%) of the units in the Project must be accessible to individuals with mobility impairments and an additional two percent (2%), must be accessible to individuals with sensory impairments. Greccio agrees to comply with all applicable Federal guidelines and regulations relative to the HOME program, including the additional loan period of affordability as stated in Periods of Affordability.

Civil Right Acts and other Federal requirements:

Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended; Section 109 of Title I of the Housing and Community Development Act of 1974; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Age Discrimination Act of 1975; Executive Orders 11063, 11373 and 12086; Clean Air Act, 42 U.S.C. Section 1857 et seq.; Federal Water Pollution Control Act, as amended; 33 U.S.C. Section 1251, et seq., as amended, Section 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in Section 114 and 308, and all regulations and guidelines issued thereunder; Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R. part 50 as amended; National Environmental Policy Act of 1969; HUD Environmental Procedures, 24 C.F.R. part 58; and Flood Disaster Protection Act of 1973 (P.L. 93-234), as it may apply to the provisions of this Agreement.

Non-Discrimination and Equal Opportunity

Greccio agrees to abide by the federal requirements set forth in (CDBG) 24 CFR 4.105(a) Non-Discrimination and Equal Opportunity and (HOME) 24 CFR 92.350 Equal Opportunity and 24 CFR 92.351 Fair Housing and will not discriminate against any employee or applicant for employment nor exclude any person from participation in or deny the benefits of the Project for which federal funds are received due to race, color, creed, ancestry, religion, national origin, sex, disability, or other handicap, marital status, or status with regard to public assistance. Greccio will take affirmative steps to insure that all employment practices and participant selection criteria are free from discrimination. The Equal Opportunity Clause is attached as Exhibit C and made a part of this Agreement. Greccio must include a nondiscrimination clause in any Agreements connected with the performance of this Agreement.

Lead Base Paint

Greccio agrees that any sale of the Property, construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD lead-based paint regulations at 24 CFR 570.608 and 24 C.F.R. Part 35. Lead-based paint brochure is attached as Exhibit D.

Conflicts of Interest

Greccio agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which could conflict in any manner or degree with the performance of services as required under this Agreement. Greccio further covenants that in the performance of this Agreement, no person having a financial interest shall be employed or retained by Greccio. This conflict of interest provision applies to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City, or of any designated public agencies or providers which are receiving funds under the HOME program. Greccio shall establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties. Greccio further agrees to abide by the Anti-Lobby Certification attached as Exhibit E and made a part of this Agreement.

Political and Religious Activities

Greccio must abide by the First Amendment principles set forth in 24 CFR 92.257, HOME assistance may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities. Greccio also understands that it is prohibited from using CDBG or HOME funds or personnel employed in the administration of the Project for political activities, sectarian or religious activities, lobbying, political patronage and nepotism activities.

Davis-Bacon

This Project does not fall within the requirements of the Davis-Bacon Act (40 USC Section 276a-5).

Relocation, Displacement

If applicable, Greccio agrees to provide relocation assistance for displaced persons at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C.4201 to 4655) and 49 CFR, Part 24.

Compliance with Subpart K

Greccio agrees to comply with all applicable Federal guidelines and regulations relative to the program, as outlined in Subpart K of the HOME regulations. If Greccio wants copies of any section referenced in Subpart K, please contact the Agreement Administrator. This Agreement may be canceled or terminated should Greccio fail to comply with any of the conditions outlined in Subpart K.

Copyrightable material

If this Agreement results in any copyrightable material, the City reserves the right to a royalty free, non exclusive and irrevocable license to reproduce, publish or otherwise use and authorize others to use, the work for government purposes.

Section 3 of H.U.D. Act of 1968 and Contractor requirements

Greccio must comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, attached as Exhibit F and incorporated as a part of this Agreement. Greccio shall include the provisions for Section 3 Compliance in each Agreement for services with a contractor. Greccio shall maintain full and adequate records of compliance with all applicable laws, rules and regulations. Such records shall be open for inspection by the City, HUD or their authorized representatives. Greccio must also include a nondiscrimination clause in any Agreements connected with the performance of this Agreement.

All advertising for contractors must contain an equal housing opportunity logotype, statement or slogan. In addition, no words, phrases, symbols or forms which indicate preferences for race, religion, sex, handicap, familial status or national origin may be used by Greccio.

The contractor for this Project must submit a certification to the Greccio and City that neither it nor its principal(s) is presently suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this type of activity by the federal, state or local governments.

If applicable, Greccio shall be responsible for submitting to the City an Environmental Phase I study, and an appraisal to the City for review before construction.

ARTICLE VIII. OTHER PROVISIONS

8.1 GRECCIO agrees that it shall indemnify, defend and hold harmless the City, its officers, employees and agents, from and against any and all loss, damage, injuries, claims, cause or causes of action, or any liability whatsoever resulting from, or arising out of, or in connection with GRECCIO's obligations or actions under this Agreement.

8.2 In the performance of GRECCIO's obligations under this Agreement, it is understood, acknowledged and agreed between the parties that GRECCIO is at all times acting and performing as an Independent Contractor. The City shall neither have nor exercise any control or direction over the manner and means by which GRECCIO performs its obligations under this Agreement, except as otherwise stated within the Agreement terms. GRECCIO understands and agrees that it and its employees, agents, servants, or other personnel are not City employees. GRECCIO shall be solely responsible for payment of salaries, wages, payroll taxes, unemployment benefits or any other form of compensation or benefit to it or any of its employees, agents, servants or other personnel performing services or work under this Agreement, whether it be of a direct or indirect nature. Further, it is expressly understood and agreed that for such purposes neither GRECCIO nor its employees, agents, servants or other personnel shall be entitled to any City payroll, insurance, unemployment, worker's compensation, retirement or any other benefits whatsoever.

8.3 GRECCIO understands and agrees this Agreement does not constitute continued funding under the HOME or CDBG programs or any similar federal, state, or local program. GRECCIO must submit required applications for subsequent funding.

8.4 GRECCIO shall not assign or otherwise transfer this Agreement, or any right or obligation thereunder, without the prior written consent of the City.

8.5 This Agreement is subject to and shall be interpreted under the law of the State of Colorado, and Charter, City Code, ordinances, rules and regulations of the City of Colorado Springs. Court Jurisdiction shall be exclusively in the District Court for the Fourth Judicial District of Colorado. GRECCIO shall insure that its employees, agents and officers are familiar with, and comply, with applicable federal, state and local laws, rules and regulations as now written or later amended.

8.6 All GRECCIO records with respect to any matters covered by this Agreement shall be made available to the City, their designees or the federal government, at any time during normal business hours, as often as the City, its designees or the federal government deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by GRECCIO within 30 days after GRECCIO receives notice of the deficiencies. Failure of GRECCIO to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments.

8.7 GRECCIO hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and, as applicable, OMB Circular A-133 & OMB Circular A122.

8.8 A title commitment for the Property shall be delivered to the City at least 3 days prior to closing on the Property.

8.9 A copy of the certificate of insurance on the Property, naming the City on the mortgagee clause, shall be delivered to the City prior to closing. At least thirty (30) days written notice of cancellation of the policy covering the Property must be provided to the City.

8.10 A copy of the appraisal will be submitted to the City before loan closing and loan disbursement.

ARTICLE IX NOTICES AND AMENDMENTS

9.1 The City and GRECCIO may amend this Agreement at any time. Amendments must make specific reference to this Agreement and be executed in writing, signed by duly authorized representatives of both parties. If in the City's opinion any amendment constitutes a substantial change, then the parties must follow the procedures outlined by the City's Citizen Participation Plan.

9.2 The City, at its discretion, may unilaterally amend this Agreement to conform with federal, state or local guidelines, policies, or available funding amounts. The City promises to notify GRECCIO within ten (10) days of the City's decision to make any unilateral amendment to this Agreement.

9.3 The City's Agreement Administrator shall be Affordable Housing Manager, 30 South Nevada Avenue, Suite 302, Colorado Springs, Colorado 80903, telephone (719) 385-5912, or the Administrator's designee.

9.4 All notices and other communications required by this Agreement must be in writing and will be deemed delivered when personally served to the party, or upon receipt if mailed by registered or certified mail, postage prepaid, return receipt requested to the following party representatives:

CITY OF COLORADO SPRINGS
Affordable Housing Manager
30 S. Nevada Avenue #302
Colorado Springs, CO 80903
(719) 385-5912

GRECCIO HOUSING UNLIMITED, INC.
Claudia Deats
P.O. Box 2286
Colorado Springs, CO 80901
(719) 475-1422

ARTICLE X BREACH AND TERMINATION

10.1 This Agreement is subject to availability of federal HOME & CDBG funds. Should federal HOME or CDBG funds no longer be available, this Agreement shall terminate upon no less than 24 hour prior written notice to GRECCIO. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. The City shall be the final authority as to the availability of funds.

10.2 The City may take one or more of the following actions if GRECCIO breaches the terms or conditions of this Agreement with respect to any of the Property:

1. Withhold further awards in the HOME and CDBG programs.
2. Take any other legally available remedies.
3. Consider the 0% long term loan in default and call the loan balance due and payable.

The City will make a reasonable attempt to resolve concerns prior to terminating this Agreement.

10.3 If GRECCIO fails to fulfill in a timely and proper manner its obligations under this Agreement, or if GRECCIO shall violate any of the covenants or stipulations of this Agreement, the City shall have the right to terminate this Agreement and to declare GRECCIO ineligible for any further participation in City programs and to pursue any other remedies provided by law. In the event there is probable cause to believe GRECCIO is not in compliance with any applicable rules or regulations, the City, will notify GRECCIO of the non compliance in writing, giving it 30 days to correct the non-compliance.

10.4 Notwithstanding the above, GRECCIO shall not be relieved of liability to the City for damages sustained by virtue of any breach of this Agreement by GRECCIO.

10.5 This Agreement, together with all exhibits attached hereto, constitutes the entire agreement between the parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein, and this Agreement may be amended only in writing, and executed by duly authorized representatives of the parties hereto.

10.6 No waiver of default by the City of any of the terms, covenants, and conditions hereof to be performed, kept, and observed by GRECCIO shall be construed, or shall operate, as a waiver of any subsequent default of any of the terms, covenants, or conditions herein contained to be performed, kept, or observed by the GRECCIO.

10.7 It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties hereto, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person or entity on such Agreement. It is the express intention of the Parties hereto that any person or entity, other than the Parties to this Agreement, receiving services or benefits under this Agreement shall be deemed to be incidental beneficiaries only.

