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W.E. DAVIS CH. CLK.

**LAND USE RESTRICTION AGREEMENT
(MULTIFAMILY PROPERTIES)**

BY AND BETWEEN

FEDERAL DEPOSIT INSURANCE CORPORATION,
acting in its capacity as Receiver for Empire Federal Savings
Bank of America, which pursuant to 12 U.S.C. Section 1441a(m)
(1), succeeded the Resolution Trust Corporation ("RTC") in its
capacity as Receiver for Empire Federal Savings Bank of America .

AND

City of Horn Lake, Mississippi, a
Mississippi Municipal Corporation

Property Address:
1800 Joy Circle
Horn Lake, Mississippi 38637

NOTE: THIS DOCUMENT MUST BE REFERENCED IN THE DEED, AND MUST BE
RECORDED AND TIME STAMPED IMMEDIATELY AFTER THE DEED

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**LAND USE RESTRICTION AGREEMENT
(MULTIFAMILY PROPERTIES)**

THIS LAND USE RESTRICTION AGREEMENT (this "Agreement") is made and entered into this 22nd day of August, 1996, by and between Federal Deposit Insurance Corporation, acting in its capacity as Receiver for Empire Federal Savings Bank of America, which pursuant to 12 U.S.C. Section 1441a(m) (1), succeeded the Resolution Trust Corporation ("RTC") in its capacity as Receiver for Empire Federal Savings Bank of America, ("Seller"), and the City of Horn Lake, Mississippi, a Mississippi Municipal Corporation, ("Owner").

Recitals

Owner has purchased from Seller certain land described on Exhibit A attached hereto and incorporated herein by reference, together with the improvements located thereon, including a 92-unit rental housing project commonly known as **Westwind Apartments 1800 Joy Circle, Horn Lake, Mississippi** (said land and improvements are hereinafter collectively referred to as the "Property"), which constitutes an "eligible multifamily housing property" as defined in either Section 21A(c)(9)(E) of the Federal Home Loan Bank Act (12 U.S.C. §1441a(9)(E)) or Section 40(p)(5) of the Federal Deposit Insurance Act (12 U.S.C. §1831q(p)(5)), as amended.

Pursuant to certain provisions of either the Federal Home Loan Bank Act and/or the Federal Deposit Insurance Act, as amended, Owner must agree to comply with certain occupancy and rent restrictions for the remaining useful life of the Property, and the parties hereto have entered into this Agreement to evidence Owner's agreement to comply with such restrictions.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows.

ARTICLE I

Definitions

Section 1.1. General. Capitalized terms used in this Agreement shall have, unless the context clearly requires otherwise, the meanings specified in this Article I. Certain

additional terms may be defined elsewhere in this Agreement.

(a) "Agency" means the successor to or the assignee of the FDIC with respect to its powers and responsibilities hereunder which may be a State Housing Finance Agency or any agency, corporation or any authority of the United States government that normally engages in activities related to the preservation of affordable housing.

(b) "Agreement" means this Land Use Restriction Agreement, as it may from time to time be amended.

(c) "Annual Income" means "income" as defined in Section 3(b)(4) of the United States Housing Act of 1937 and as determined in accordance with the regulations thereunder promulgated by the Secretary.

(d) "FDI Act" means the Federal Deposit Insurance Act (12 U.S.C. §1811, et seq.), as amended, or any corresponding provision or provisions of succeeding law as it or they may be amended from time to time.

(e) "FDIC" means the Federal Deposit Insurance Corporation.

(f) "FHLB Act" means the Federal Home Loan Bank Act (12 U.S.C. §1421, et seq.), as amended, or any corresponding provisions of succeeding law as it or they may be amended from time to time.

(g) "Low-Income Families" means families and individuals whose Annual Incomes do not exceed 80 percent of area median income in the area in which the Property is located, as determined by the Secretary under Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. §1437a(b)(2)), with adjustment for family size.

(h) "Multifamily Property" means an "eligible multifamily property" as defined by Section 40(p)(5) of the FDI Act (12 U.S.C. §1831q(p)(5)).

For properties which were formerly owned by the RTC and title to which was transferred to the FDIC as a result of the termination of the RTC, "Multifamily Property" means an "eligible multifamily property" as defined by Section 21A(c)(9)(E) of the FHLB Act (12 U.S.C. §1441a(9)(E)).

(i) "Owner" means the City of Horn Lake Mississippi, a Mississippi Municipal Corporation, as set forth at the beginning of this Agreement, or any successor in title to the Property.

(j) "Qualified Tenant" means a family or individual tenant

of a Qualifying Unit who satisfies the requirements of Section 2.2(a) of this Agreement with respect to such Qualifying Unit.

(k) "Qualifying Unit" means a Unit that (i) is rented to either a Low-Income Family or Very Low-Income Family and (ii) is used in complying with the low-income occupancy requirements of Section 2.2(a). Any Unit rented to a Low-Income Family or Very Low Income Family that is not needed to meet the low income occupancy requirements of Section 2.2(a) will not be deemed a Qualifying Unit and will not be subject to the rent restrictions of Article IV.

(l) "Related Entity" means, with respect to any party which has been an Owner hereunder: (i) any spouse, parent, child, grandchild, brother or sister of such Owner; or (ii) any person or entity (A) that directly or indirectly controls or is controlled by or is under common control with such Owner, (B) that is an officer of, partner in or trustee of, or serves in a similar capacity with respect to, such Owner or of which such Owner is an officer, partner or trustee, or with respect to which such Owner serves in a similar capacity, or (C) that is the beneficial owner, directly or indirectly, of 10% or more of any class of equity securities of such Owner or of which such Owner is directly or indirectly the owner of 10% or more of any class of equity securities.

(m) "RTC" means the Resolution Trust Corporation, as established pursuant to Section 501(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (Section 21A of the Federal Home Loan Bank Act; 12 U.S.C. §1441a).

(n) "Secretary" means the Secretary of Housing and Urban Development.

(o) "State" means the state in which the Property is located.

(p) "State Housing Finance Agency" means the public agency, authority, corporation, or other instrumentality of the State that has the authority to provide residential mortgage loan financing throughout the State.

(q) "Term" means the period commencing on the date hereof and continuing until the earliest to occur of the following:

(1) the date upon which there is an involuntary loss of the Property by Owner caused by seizure, condemnation, foreclosure or deed in lieu of foreclosure of a mortgage or deed of trust securing a bona fide loan from an institutional lender,

or upon which there is a change in federal law which prevents FDIC or the Agency from enforcing this Agreement; provided, however, that in the event of loss of the Property by foreclosure or deed in lieu of foreclosure, if the party which was Owner at the time of or immediately prior to such foreclosure or deed in lieu of foreclosure, or a Related Entity of such party, acquires an ownership interest in the Property at any time thereafter, then the covenants and restrictions set forth in this Agreement shall be revived and shall remain in force until the further occurrence of an event described in this subsection;

(2) the date upon which there is a total involuntary loss of the use of the Property for residential housing purposes by Owner caused by fire or other casualty;

(3) the date upon which there is a partial involuntary loss of the Property, or of the use thereof for residential housing purposes, caused by seizure or condemnation or by fire or other casualty, which partial loss shall not have been restored through repair or other restoration measure, in which event the covenants and restrictions hereof shall be modified to reflect the appropriate numbers of Units to be held available for Low-Income Families and Very Low-Income Families, based upon the reduced number of Units in the Property and the percentages of Units for Low-Income Families and Very Low-Income Families previously required to be maintained in the Property, which covenants and restrictions shall remain in effect for the remainder of the Term;

(4) the date upon which FDIC or the Agency determines, (i) that all or a portion of the Property is obsolete as to physical condition, location or other factors, making it unusable for housing purposes, and (ii) that no reasonable program of modifications is financially feasible to return the Property or a portion of the Property to useful life; or

(5) the date which is the later of (i) forty (40) years from the date of this Agreement or (ii) fifty (50) years from the date the Property was initially occupied as multifamily housing.

(r) "Unit" means a residential accommodation constituting a part of the Property and containing separate and complete living facilities.

(s) "Very Low-Income Families" means families and individuals whose Annual Incomes do not exceed 50 percent of area median income in the area in which the Property is located, as determined by the Secretary under Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. §1437a(b)(2)), with adjustment for family size.

Section 1.2. Generic Terms. Unless the context clearly indicates otherwise, where appropriate the singular shall include the plural and the masculine shall include the feminine or neuter, and vice versa, to the extent necessary to give the terms defined in this Article I and/or the terms otherwise used in this Agreement their proper meanings.

ARTICLE II

Use and Occupancy of the Property

Section 2.1. Use of the Property. During the Term, Owner will maintain the Property as multifamily rental housing and will rent or hold available for rental each Unit on a continuous basis; provided, however, that Owner may convert a portion of the Property to a use other than multifamily rental housing if Owner shall continue to observe and perform the covenants and restrictions contained in Sections 2.2 and 3.1 hereof.

Section 2.2. Occupancy Requirements.

(a) Subject to subsections (c) and (d), during the Term, Owner will make continuously available for occupancy by Low-Income Families as Qualifying Units (including compliance with Article III hereof) not less than 33 Units, of which not less than 19 Units shall be made available for occupancy by Very Low-Income Families. Owner shall use its best efforts, subject to current market conditions, (i) to distribute Units reserved for Low-Income Families and Very Low-Income Families among unit sizes in proportion to the distribution of unit sizes in the Property and (ii) to avoid concentration of Low-Income Families or Very Low-Income Families in any area or areas of the Property.

(b) (i) The determination of whether the Annual Income of a family or individual occupying or seeking to occupy a Qualifying Unit exceeds the applicable income limit shall be made prior to admission of such family or individual to occupancy in a Qualifying Unit (or to designation of a Unit occupied by such family or individual as a Qualifying Unit), except that with respect to families or individuals occupying Units on the date hereof, such determination shall be made within 60 days prior to the designation of any such Unit as a Qualifying Unit. Thereafter such determinations shall be made at least annually on the basis of an examination or reexamination of the current income of the family or individual.

(ii) If the Annual Income of a Qualified Tenant which is a Very Low-Income Family shall be determined upon reexamination to exceed the applicable income limit for Very Low-Income Families, but not the applicable income limit for Low-Income Families, the Unit shall be counted as occupied by a Qualified Tenant which is a Low-Income Family other than a Very Low-Income Family during such family's or individual's continuing occupancy of such Unit in accordance with clause (iii) below and Owner shall be required to make the next available Qualifying Unit available for occupancy in accordance with clause (iv) below.

(iii) If the Annual Income of a Qualified Tenant shall be determined upon reexamination to exceed the applicable income limit for Low-Income Families, the Unit occupied by such family or individual shall be counted as occupied by a Qualified Tenant (and such family shall be considered, for purposes of subsection (a) and Article III, a Qualified Tenant which is a Low-Income Family other than a Very Low-Income Family) so long as (A) the Annual Income of such family or individual shall not be determined to exceed 140 percent of the applicable income limit for Low-Income Families, or (B) if the Annual Income of such family or individual shall be determined to exceed 140 percent of the applicable income limit for Low-Income Families, so long as each Unit of comparable or smaller size in the Property which is or becomes available is occupied or held available for occupancy by a new resident whose Annual Income does not exceed the applicable income limit for Low-Income Families (or a Unit other than a Qualifying Unit occupied by a family or individual whose Annual Income is determined to not exceed the applicable income limit for Low-Income Families is designated a Qualified Unit) until the occupancy requirements of subsection (a) are met without counting such over-income family or individual. If the Annual Income of a Qualified Tenant shall be determined to exceed 140 percent of the applicable income limit for Low-Income Families, Owner shall not be required to observe, with respect to such tenant, the restrictions on maximum rents provided under Article III.

(iv) If the required occupancy by Very Low-Income Families is not met at any time, but the requirement as to occupancy by Low-Income Families other than Very Low-Income Families is met, Owner shall be required to make each available Unit in the Property available to a Very Low-Income Family until the required occupancy by Very Low-Income Families is achieved. If the required occupancy by Very Low-Income Families is not met at any time but the total requirement as to occupancy by Low-Income Families including Very Low-Income Families is met, Owner shall not be required to make the next available Unit in the Property available to a Very Low-Income Family but shall be required to make each Qualifying Unit vacated by a Low-Income

Family available for occupancy by a Very Low-Income Family until the required occupancy by Very Low-Income Families is achieved. Notwithstanding the foregoing two sentences, the State Housing Finance Agency may, upon application by Owner, permit any such Qualifying Unit to be rented to a Low-Income Family other than a Very Low-Income Family if the Agency determines (i) that Owner has taken reasonable steps to rent such Unit to a Very Low-Income Family and has been unable to do so and (ii) that continued vacancy will cause financial hardship to the Property. If the Agency shall not have responded to an application by Owner pursuant to the preceding sentence within 90 days from the date of submission thereof, such application shall be deemed to have been granted.

(v) If neither the required occupancy by Very Low-Income Families nor the required occupancy by Low-Income Families other than Very Low-Income Families is met at any time, preference (as between potential tenants on a waiting list or simultaneous applicants) must be given to Very Low-Income Families in the renting of each Unit in the Property which becomes available until the requirement as to occupancy by Low-Income Families other than Very Low-Income Families is met, after which the rule of clause (iv) will apply, if necessary.

(vi) A Unit that was occupied by a Qualified Tenant and becomes vacant shall be counted as occupied by a Qualified Tenant until it is reoccupied for a period in excess of thirty-one (31) days, at which time the Unit shall be considered to be occupied by a Qualified Tenant only if the family or individual then occupying the unit satisfies the definition of a Qualified Tenant.

(c) (i) Anything to the contrary in the foregoing notwithstanding, Owner will not terminate the occupancy of any tenants in occupancy on the date hereof that are not Low-Income Families or Very Low-Income Families for purposes of meeting the requirements of this Section. In the event that Owner is unable to comply with the occupancy requirements of this Section because of the occupancy at the date hereof of any Units by tenants who are not Low-Income Families or Very Low Income Families, or who have not been determined to be Qualified Tenants, Owner will be in compliance with this Section if each Unit which thereafter becomes vacant is occupied or held available for occupancy by Low-Income Families or Very Low-Income Families, as the case may be, in accordance with the requirements of subsection (b) until the lower-income occupancy requirements of such subsection are met.

(ii) If a Unit has been designated as or determined to be a Qualifying Unit, Owner must continue to treat such Unit as a

Qualifying Unit for as long as it is continuously occupied by a tenant whose income does not exceed 140 percent of the applicable income limit for Low-Income Families.

(d) Notwithstanding the foregoing, the Secretary or the State Housing Finance Agency may, upon application by Owner, temporarily reduce the lower-income occupancy requirements set forth in subsection (a) if the Secretary or the State Housing Finance Agency determines that Owner's compliance with such requirements is no longer financially feasible. Owner will make a good-faith effort to return the lower-income occupancy to the level required by subsection (a), and the Secretary or the State Housing Finance Agency, as appropriate, will review the reduction annually to determine whether financial unfeasibility continues to exist.

ARTICLE III

Rent

Section 3.1 Rent Limitations for Qualified Tenants.

(a) (i) The rent charged by Owner for Qualifying Units occupied by Very Low-Income Families shall not exceed the maximum rent for Qualified Tenants who are Very Low-Income Families for units of the applicable size in the area, as established by FDIC or the Agency or the Secretary. Such maximum rent shall be not greater than 30% of the adjusted income of a family whose income equals 50% of area median income, with adjustment for family size based upon unit type.

(ii) The rent charged by Owner for Qualifying Units occupied by Low-Income Families other than Very Low-Income Families shall not exceed the maximum rent for Qualified Tenants who are Low-Income Families other than Very Low-Income Families for units of the applicable size in the area, as established by FDIC or the Agency or the Secretary. Such maximum rent shall be not greater than 30% of the adjusted income of a family whose income equals 65% of area median income, with adjustment for family size based upon unit type.

(iii) For purposes of calculating maximum rents under this section, (x) the adjustment for family size based upon unit type shall be calculated on the basis of the number of bedrooms in such unit as set forth at Exhibit B hereto and (y) the adjusted income of a family shall be calculated by subtracting from the annual income of a family at the applicable maximum income level the specific adjustments set forth at Exhibit B hereto.

(b) Owner may make a written request to FDIC for the schedule of maximum rents applicable to the Property as of the date hereof, and FDIC shall provide such schedule within thirty days after (i) the date hereof or (ii) the date FDIC receives such request, whichever is later. Such rents shall be subject to annual adjustment upon publication by the U.S. Department of Housing and Urban Development of revised income limits for area lower-income and very low-income families, which adjustment shall be based upon changes in the applicable area median income limits.

(c) If a Qualified Tenant ceases to be considered a Qualified Tenant in accordance with Section 2.2(b), Owner shall, subject to the terms of the lease and applicable law, be free to condition such family's or individual's continued occupancy in the Property upon its payment of a rental charge not subject to the limitations of this Article III.

ARTICLE IV

Administration

Section 4.1. Lease Provisions. All tenant leases entered into with Qualified Tenants during the Term shall contain provisions wherein each individual lessee (i) certifies the accuracy of the information provided in connection with the examination or reexamination of Annual Income of the household of such lessee, and (ii) agrees that the Annual Income and other eligibility requirements shall be deemed substantial and material obligations of his or her tenancy, that he or she will comply promptly with all requests for information with respect thereto from Owner or FDIC or the Agency, and that his or her failure to provide accurate information regarding such requirements (regardless of whether such inaccuracy is intentional or unintentional) or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of his or her tenancy and constitute cause for immediate termination thereof.

Section 4.2. Examination and Reexamination of Incomes.

(a) Owner shall be responsible for determination of the Annual Income and family composition of Qualified Tenants, and for reexamination of Annual Income and family composition of Qualified Tenants at least annually, in accordance with procedures prescribed by FDIC or the Agency.

(b) As a condition of admission to occupancy of a Qualifying Unit, Owner shall require the household head and other such household members as it designates to execute an FDIC or

Agency approved release and consent authorizing any depository or private source of income, or any Federal, State or local agency, to furnish or release to Owner and to FDIC or the Agency such information as Owner or FDIC or the Agency determines to be necessary. Owner shall also require the household to submit directly documentation determined to be necessary. Information or documentation shall be determined to be necessary if it is required for purposes of determining or auditing a household's eligibility as a Qualified Tenant, or for verifying related information. The use or disclosure of information obtained from a household or from another source pursuant to this release and consent shall be limited to purposes directly connected with administration of this Agreement.

(c) Owner shall not be deemed to be in violation of Articles II and III of this Agreement if, in determining Annual Income and family composition of a Qualified Tenant, (i) Owner has relied in good-faith upon information which is supplied to Owner by the tenant, (ii) Owner has no reason to believe such information is false, and (iii) Owner shall have complied with all requirements of FDIC or the Agency with respect to verification of household income and family composition.

Section 4.3. Certification by Owner. During the Term, on each anniversary of the date upon which this Agreement was first recorded in the land records of the jurisdiction in which the Property is located, or upon such other annual date as FDIC or the Agency, in its discretion, upon reasonable notice to the Owner, shall establish, Owner shall submit to FDIC or the Agency a certification, in a form prescribed by FDIC or the Agency, as to Owner's compliance with all of the terms and provisions of this Agreement.

Section 4.4. Maintenance of Documents. All tenant lists, applications, leases, waiting lists, income examinations and reexaminations relating to the Property shall at all times be kept separate and identifiable from any other business of Owner which is unrelated to the Property, and shall be maintained, as required by FDIC or the Agency, in a reasonable condition for proper audit and subject to examination and photocopying during business hours by representatives of FDIC or the Agency.

Section 4.5. Compliance Review. In its sole discretion, FDIC or the Agency will monitor Owner's compliance with the requirements of this Agreement. In conducting its compliance review, FDIC or the Agency will rely primarily on information obtained from Owner's records and reports, findings from on-site monitoring, and audit reports. FDIC or the Agency may also consider relevant information gained from other sources, including litigation and citizen complaints. Owner shall cooperate with FDIC or the Agency in any such compliance review

and shall furnish all notices, information and reports, including, but not limited to, monthly, annual or other periodic reports, required by FDIC or the Agency for such purpose.

Section 4.6. Administrative Fee.

(a) In order to compensate FDIC or the Agency for the review performed pursuant to Section 4.5, Owner shall pay to FDIC (in its Corporate capacity and not as Receiver for the financial institution identified on the first page of this Agreement) or the Agency, as applicable, an annual administrative fee for the first twelve month period of this Agreement in the amount of \$50 per Qualifying Unit required to be held available under Section 2.2(a) hereof, but in no event less than \$250.

(b) If FDIC or the Agency shall find the Property not to be in compliance with the terms hereof (including the requirements of this Article IV), Owner shall pay to FDIC or the Agency, as applicable, an additional administrative fee in an amount prescribed from time to time by FDIC or the Agency, which amount, for the first twelve month period of this Agreement, shall be \$50 per Qualifying Unit required to be held available under Section 2.2(a) hereof, for additional monitoring and enforcement activities undertaken with respect to the Property. The annual fee payable in the event of noncompliance shall be in addition to, and distinct from, the amount due pursuant to Section 4.6(a), as well as any reimbursements of costs and legal fees to which FDIC or the Agency may be entitled as a result of judicial enforcement action, and such fee shall be payable without respect to whether FDIC or the Agency undertakes or succeeds in judicial enforcement action. FDIC or the Agency shall be entitled to undertake additional monitoring and enforcement activities, and to be compensated therefor, for a period of up to three years following its most recent finding of noncompliance with respect to the Property.

(c) For each twelve month period after the first twelve month period of this Agreement, the administrative fees payable hereunder shall be the amounts set forth in subsections (a) and (b) of this Section 4.6, as applicable, multiplied by the increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor (or any generally recognized successor to such Index) between the date hereof and the latest publication of such Index immediately preceding the applicable anniversary date of this Agreement.

Section 4.7. Releases.

(a) FDIC shall --

(i) execute such documents as may be required to evidence release of the Property from the covenants and restrictions set forth in this Agreement based upon the expiration of the Term as provided in Section 1.1(o) hereof (subject, in the event of foreclosure or deed in lieu of foreclosure, to revival as set forth in Section 1.1(o)(1)), upon receipt from Owner of a certification as to the occurrence of the event giving rise to such expiration and such other evidence as FDIC or the Agency may reasonably require; and

(ii) execute an appropriate modification to this Agreement to reflect reduced requirements for occupancy by Qualified Tenants in the event of a partial loss of the Property as provided in Section 1.1(o)(3) hereof.

(b) If FDIC shall have contracted with the Agency for the performance of its responsibilities hereunder, the Agency shall execute the appropriate release and/or modification to this Agreement in the name of FDIC in accordance with the terms of subsection (a) of this Section 4.7, and shall provide appropriate evidence to Owner of its authorization to act in the name of FDIC.

ARTICLE V

Representations and Warranties of Owner

Section 5.1. Representations and Warranties. Owner represents and warrants to FDIC that:

(a) Valid Execution. Owner has validly executed this Agreement and the same constitutes the binding obligation of Owner. Owner has full power, authority and capacity (i) to enter into this Agreement, (ii) to carry out Owner's obligations as described in this Agreement and (iii) to assume responsibility for compliance with all applicable federal rules and regulations.

(b) No Conflict or Contractual Violation. To the best of Owner's knowledge the making of this Agreement and Owner's obligations hereunder:

(i) will not violate any contractual covenants or restrictions (A) between Owner or any third party or (B) affecting the Property;

(ii) will not conflict with any of the instruments that create or establish Owner's authority;

(iii) will not conflict with any applicable public or

private restrictions;

(iv) do not require any consent or approval of any public or private authority which has not already been obtained; and

(v) are not threatened with invalidity or unenforceability by any action, proceeding or investigation pending or threatened, by or against (A) Owner, without regard to capacity, (B) any person with whom Owner may be jointly or severally liable, or (C) the Property or any part thereof.

(c) No Litigation. No litigation or proceedings are pending or, to the best of Owner's knowledge, threatened against Owner which if adversely determined could individually or in the aggregate have an adverse effect on title to or the use and enjoyment or value of the Property, or any portion thereof, or which could in any way interfere with the consummation of this Agreement.

(d) No Bankruptcy. There is not pending or, to Owner's best knowledge, threatened against Owner any case or proceeding or other action in bankruptcy, whether voluntary or otherwise, any assignment for the benefit of creditors, or any petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for Owner under any federal, state or other statute, law, regulation relating to bankruptcy, insolvency or relief for debtors.

Section 5.2. Indemnification. Owner agrees to indemnify and hold harmless FDIC or the Agency from and against all liabilities, losses, claims, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by FDIC or the Agency as a result of any material inaccuracy in any of the representations and warranties contained in Section 5.1.

ARTICLE VI

Enforcement and RemediesSection 6.1. Remedies of FDIC or the Agency.

(a) If Owner defaults in the performance of any of its obligations under this Agreement or breaches any covenant, agreement or restriction set forth herein, and if such default remains uncured for a period of sixty (60) days after notice thereof shall have been given by FDIC or the Agency (or for an extended period approved in writing by FDIC or the Agency if the default or breach stated in such notice can be corrected, but not within such 60-day period, unless Owner does not commence such correction or commences such correction within such 60-day period but thereafter does not diligently pursue the same to completion within such extended period), FDIC or the Agency may elect any remedy, including, without limitation, application to any court having jurisdiction of the subject matter for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Property in accordance with the terms of this Agreement, or for such other relief as may be appropriate, it being acknowledged that the beneficiaries of Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of Owner's default. FDIC or the Agency shall be entitled to recover its reasonable attorneys' fees in any such judicial action in which FDIC or the Agency shall prevail.

(b) Each right, power and remedy of FDIC or the Agency provided for in this Agreement now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by FDIC or the Agency of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by FDIC or the Agency of any or all such other rights, powers or remedies.

Section 6.2. Remedies of Other Parties. The occupancy requirements set forth in Section 2.2 of this Agreement also shall inure to the benefit of, and may be judicially enforced against Owner by, affected Low-Income Families and Very Low-Income Families. Any such party that prevails in any such judicial action shall be entitled to recover its reasonable attorneys' fees.

Section 6.3. Reliance Upon Information. In carrying out its obligations hereunder, Owner shall be entitled to rely upon information provided by FDIC or the Agency with respect to (i) income limits applicable to Low-Income Families and Very Low-Income Families, (ii) the method for calculating the incomes of such families, and (iii) the maximum rents which may be charged to such families pursuant to Section 3.1 hereof.

ARTICLE VII

Miscellaneous

Section 7.1. Amendments. This Agreement may not be amended or modified except by written instrument signed by each party hereto.

Section 7.2. Notices. All notices required or permitted to be given under this Agreement must be in writing and will be deemed to have been duly given if delivered personally or mailed, postage prepaid, by registered or certified United States mail, return receipt requested, addressed to the parties at the following addresses:

If to FDIC: Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429
Attention: Office of Affordable Housing

If to Owner: City of Horn Lake, Mississippi
2285 Goodman Road
Horn Lake, Mississippi 38637
Attn: Mayor

Any party may change its address for notice purposes by giving notice to the other parties in accordance with this Section 7.2.

Section 7.3. Entire Agreement. This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof.

Section 7.4. Governing Law. This Agreement, as it may affect the rights, remedies and obligations of FDIC or the

Agency, shall be governed by and construed in accordance with federal law. Insofar as federal law does not apply, the provisions of this Agreement shall be governed by and construed in accordance with the laws of the State.

Section 7.5. Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

Section 7.6. Binding Effect; Covenants Running with the Land. During the Term, this Agreement and the covenants, reservations and restrictions contained herein shall be deemed covenants running with the land for the benefit of FDIC and its successors, and for the benefit of affected Low-Income Families and Very Low-Income Families and shall pass to and be binding upon Owner's heirs, assigns and successors in title to the Property, or if the Property shall not include title to land, but shall include a leasehold interest in land, this Agreement and the covenants, reservations, et. al., shall bind the leasehold interest as well as the Property and shall pass to and be binding upon all heirs, assigns and successors to such interests; provided, however, that upon expiration of the Term in accordance with the provisions hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Property are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Property. Owner, at its cost and expense, shall cause this Agreement to be duly recorded or filed and re-recorded or refiled in such places, and shall pay or cause to be paid all recording, filing, or other taxes, fees and charges, and shall comply with all such statutes and regulations as may be required by law, in the opinion of qualified counsel, in order to establish, preserve and protect the ability of FDIC or the Agency or affected Low-Income Families and Very Low-Income Families to enforce this Agreement.

Section 7.7. Counterparts. This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which

together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

Section 7.8. Section Titles. Section titles and the table of contents are for descriptive purposes only and shall not control or limit the meaning of this Agreement as set forth in the text.

IN WITNESS WHEREOF, the undersigned have hereunto affixed their signatures and seals as of the date first above written.

SELLER:

Federal Deposit Insurance Corporation, acting in its capacity as Receiver for Empire Federal Savings Bank of America, which pursuant to 12 U.S.C. Section 1441a(m) (1) succeeded the Resolution Trust Corporation ("RTC") in its capacity as Receiver for Empire Federal Savings Bank of America.

By: *Kirkeler G. Flors*

Title: *Attorney-in-Fact*

OWNER:

City of Horn Lake, Mississippi, a Mississippi Municipal Corporation.

By: *Mike Thomas*

Title: *Mayor*

attest
Diana Stewart
City Clerk


STATE OF TEXAS

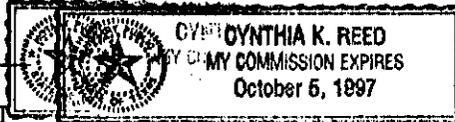
COUNTY OF DALLAS

Personally appeared before me, the undersigned authority in and for the said County and State, on this the 22nd day of August, 1996, within my jurisdiction, the within named Nicholas J. Flores, who acknowledged that he/she is Attorney-in-Fact for the FEDERAL DEPOSIT INSURANCE CORPORATION acting in its capacity as Receiver for Empire Federal Savings Bank of America, which pursuant to 12 U.S.C. Section 1441a(m) (1) succeeded the Resolution Trust Corporation ("RTC") in its capacity as Receiver for Empire Federal Savings Bank of America, and that for and on behalf of the said Federal Deposit Insurance Corporation in its said capacity as Receiver, and as its act and deed he/she executed the above and foregoing instrument, after first having been duly authorized by said Federal Deposit Insurance Corporation in its said capacity as Receiver so to do.

Cynthia K. Reed
 Notary Public

MY COMMISSION EXPIRES:

10/5/97



STATE OF MISSISSIPPI

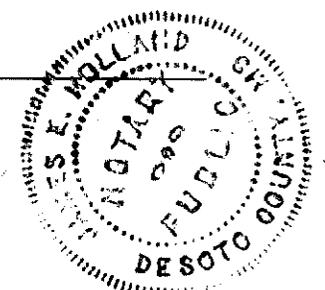
COUNTY OF DESOTO

Personally appeared before me, the undersigned authority in and for the said County and State, on this the 22nd day of August, 1996, within my jurisdiction, as chief executive officer for the within named, Owner, Mike Thomas, Mayor, Mayor of the City of Horn Lake, Mississippi, who acknowledged that he is the lawfully elected mayor of the City of Horn Lake, Mississippi, a Municipal Corporation, authorized under the laws of the State of Mississippi, and that he as such duly elected Officer, for and on behalf of the City of Horn Lake, Mississippi, executed the aforesaid instrument as and for the Grantor's act and deed, and that he as such officer executed, sealed and delivered, the within instrument, he being fully authorized so to do, in accordance with the Ordinances, Regulations and Statutes concerning such.

James E. Holland
 Notary Public

MY COMMISSION EXPIRES:

My Commission Expires July 23, 2000



A LEGAL DESCRIPTION OF A 9.079 ACRE, (395,493 SQUARE FEET), MORE OR LESS, TRACT OF LAND BEING KNOWN AS WESTWIND APARTMENTS BEING LOCATED IN THE NORTHEAST AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 1 SOUTH, RANGE 8 WEST, HORN LAKE, DESOTO COUNTY, MISSISSIPPI AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 35; THENCE SOUTH 89 DEGREES 43 MINUTES 48 SECONDS WEST FOR A DISTANCE OF 3672.44 FEET TO A REBAR, FOUND, SAID REBAR BEING THE TRUE POINT OF BEGINNING FOR THE HEREIN DESCRIBED TRACT; THENCE SOUTH 00 DEGREES 44 MINUTES 44 SECONDS WEST FOR A DISTANCE OF 292.14 FEET (CALL = S 00°16'12" E 292.00) TO A REBAR, FOUND; THENCE SOUTH 89 DEGREES 40 MINUTES 17 SECONDS WEST FOR A DISTANCE OF 575.43 FEET (CALL = S 89°43'48" W 575.43) TO A 1/2 INCH REBAR, SET; THENCE SOUTH 00 DEGREES 36 MINUTES 09 SECONDS EAST FOR A DISTANCE OF 705.09 FEET (CALL = S 00°01'02" W 705.09) TO A REBAR, FOUND; THENCE SOUTH 89 DEGREES 56 MINUTES 40 SECONDS WEST FOR A DISTANCE OF 266.50 FEET (CALL = S 89°58'58" E 265.51) TO A REBAR, FOUND; THENCE NORTH 00 DEGREES 05 MINUTES 12 SECONDS WEST FOR A DISTANCE OF 536.03 FEET (CALL = N 00°01'06" E 535.68) TO AN IRON PIN, FOUND; THENCE NORTH 89 DEGREES 43 MINUTES 48 SECONDS EAST FOR A DISTANCE OF 76.50 FEET AN IRON PIN, FOUND; THENCE NORTH 00 DEGREES 19 MINUTES 48 SECONDS WEST FOR A DISTANCE OF 460.08 FEET (CALL = N 00°16'12" W 460.08) TO A 1/2 INCH REBAR, SET; THENCE NORTH 89 DEGREES 40 MINUTES 51 SECONDS EAST FOR A DISTANCE OF 765.28 FEET (CALL = N 89°43'48" E 765.28) TO THE TRUE POINT OF BEGINNING AND CONTAINING 9.079 ACRES, (395,493 SQUARE FEET), MORE OR LESS, OF LAND BEING SUBJECT TO ALL CODES, REGULATIONS AND RESTRICTIONS, RIGHTS OF WAY, AND EASEMENTS OF RECORD.

EXHIBIT B

FAMILY SIZE AND INCOME ADJUSTMENTS

A. Family Size Adjustments.

For purposes of Section 3.1(a)(iii)(x), rents for units will be calculated on the basis of the size of household anticipated to occupy a unit with the particular number of bedrooms as follows:

Unit Size

0-Bedroom	1-BR	2-BR	3-BR	4-BR	5-BR
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Household Size

1 Person	2 Pers.	3 Pers.	5 Pers.	7 Pers.	8 Pers.
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Thus, for example, rent for a 3-bedroom unit occupied by a very low-income family will be based upon the HUD-determined income for a household at 50% of area median income which has 5 members. The rent for a 2-bedroom unit occupied by a lower-income household will be based upon the HUD figure for a household at 65% of median income which has 3 members.

B. Income Adjustments.

Prior to the rent calculation, the applicable income limit must be reduced by an adjustment based upon unit size as follows:

Unit Size

0-Bedroom	1-BR	2-BR	3-BR	4-BR	5-BR
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Income Adjustment

\$800	\$800	\$880	\$1,560	\$1,560	\$2,040
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The applicable amount must be subtracted from the applicable income limit before multiplying by 30% in order to determine maximum rent.

Recording Information Required By Mississippi Statute:

Buyer's Name and address:
City of Horn Lake
2285 Goodman Road, Horn Lake, Ms 38037
Business Phone 601-393-6178
Home phone NA

Sellers Name and address:
Federal Deposit Insurance Corporation
5080 Spectrum Drive, Suite 400W
Dallas, Texas, 75248
Business Phone: 214-788-7696
Home Phone: NA

This Instrument was Prepared By:
Federal Deposit Insurance Corporation
5080 Spectrum Drive, Suite 400W
Dallas, Texas, 75248
Phone: 214-788-7696

Indexing Instructions:
NE & NW Quarter of SW Quarter
Section 35, TW 1, South, Range 8, West.