

# **LAND LEASE**

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## **CENTRAL OHIO COMMUNITY LAND TRUST CORPORATION (COCLT)**

and

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THIS LAND LEASE (this “Lease”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2020, by and between CENTRAL OHIO COMMUNITY LAND TRUST an Ohio nonprofit corporation (“the “Land Trust”) and \_\_\_\_\_ (“Homeowner”).

WHEREAS, the Land Trust is organized, and will be operated exclusively for charitable and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, the Land Trust was formed for the charitable purpose of lessening the burdens of the governments of the City of Columbus and Franklin County, Ohio within the meaning of Internal Revenue Code, Section 501(c)(3) and Section 1.501(c)3-1(d)(2) of the Treasury Regulations. The Land Trust is a subsidiary of the Central Ohio Community Improvement Corporation (“COCIC”), which is an established 501(c)(4) not-for-profit organized under Chapters 1724 and 5722 of the Ohio Revised Code and has been designated as the county reutilization corporation for Franklin County, Ohio;

WHEREAS, the City of Columbus and Franklin County have requested the Land Trust be formed to lessen their burden by ensuring low-to-moderate income residents have access to affordable housing throughout Franklin County. To that end, COCIC was asked to form the Land Trust because of the affiliation of COCIC with Franklin County and because of COCIC’s established partnership with the City of Columbus Land Redevelopment Office. The Columbus Land Redevelopment Office, under the Development Division of the City of Columbus, administers the City Land Bank Program and oversees vacant and abandoned properties owned by the City of Columbus; and

WHEREAS, the Land Trust will facilitate the purchase of residences by low-and moderate-income families. The Land Trust will retain ownership of the land in perpetuity and enforce a resale formula to low-and moderate-income homebuyers; preserving the appreciation of the property for the Land Trust and allowing a fair return of equity building to the selling homeowner. The goal is to provide a permanent affordable housing unit that will stay affordable not only for the first homebuyer but for all subsequent homebuyers that will follow; and

WHEREAS, the Leased Land described in this Lease has been acquired and is being leased by the Land Trust to Homeowner in furtherance of the foregoing charitable purposes; and

WHEREAS, Homeowner shares the purposes and goals of the Land Trust and has agreed to enter into this Lease not only to obtain those benefits to which Homeowner is entitled under this Lease, but also to further the charitable purposes of the Land Trust; and

WHEREAS, the Land Trust and Homeowner recognize the special nature of the terms and conditions of this Lease, and each of them, after carefully considering whether to follow the highly recommended option of obtaining the independent and informed advice of legal counsel, freely accepts these terms and conditions, including those terms and conditions that may affect the marketing and resale price of the home and all other structures, pavement, landscaping and improvements of any kind on the Leased Land (which are referred to collectively as the “Home”); and

WHEREAS, it is mutually understood and accepted by the Land Trust and Homeowner that the terms and conditions of this Lease further their shared goals over an extended period of time and through a succession of owners;

NOW, THEREFORE, in consideration of the foregoing recitals, of mutual promises of the Land Trust and Homeowner contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Land Trust and Homeowner agree as follows:

## **ARTICLE 1. LETTERS OF STIPULATION AND ACKNOWLEDGMENT**

Attached and made part of this Lease by reference are **Exhibit A** (Letter of Stipulation), **Exhibit B-1** (Letter of Acknowledgment from Homeowner’s Attorney), and, for use when appropriate, **Exhibit B-2** (Acknowledgment by Homeowner Not to Seek Legal Counsel) setting forth Homeowner’s review and understanding of this Lease (in particular Article 10) and related documents for this transaction.

## **ARTICLE 2. DEMISE OF LEASED LAND**

**2.1** The Land Trust Leases the Land to Homeowner. The Land Trust, in consideration of the rents reserved and the terms and conditions of this Lease, does hereby lease to Homeowner, and Homeowner does hereby accept and lease from the Land Trust, the land (referred to in this Lease as

the “Leased Land”) described in the attached Exhibit C. The Land Trust has furnished to Homeowner a copy of the most current, if any, title report previously obtained by the Land Trust for the Leased Land, and Homeowner accepts title to the Leased Land in its condition “as is” as of the execution of this Lease.

**2.2** Mineral Rights Not Leased to Homeowner. The Land Trust does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land’s surface. Ownership of such minerals remains with the Land Trust, but the Land Trust shall not remove any such minerals from the Leased Land without the Homeowner’s written permission.

### **ARTICLE 3. DURATION OF LEASE**

**3.1** Initial Term. The term of this Lease shall be 99 years, commencing on the date hereof and terminating on February 18, 2119, unless terminated sooner or extended as provided below.

**3.2** Homeowner’s Option to Extend. Homeowner may extend the term of this Lease for one (1) additional period of 99 years, subject to all of the provisions of this Lease; provided that the Land Trust may make changes to the terms of the Lease for the renewal period prior to the commencement of such renewal period, but only if such changes do not materially harm Homeowner’s rights under the Lease. Not more than 365 days nor less than 180 days before the last day of the current term, the Land Trust shall give written notice, stating the date of expiration, describing any changes that the Land Trust intends to make to the terms of the Lease as permitted above, and reiterating the conditions for renewal as set forth immediately below.

Homeowner’s right to exercise the option to extend is subject to the following conditions: (a) within 60 days following the Land Trust’s notice of impending expiration, Homeowner shall give the Land Trust written notice, irrevocably exercising the option to extend; (b) this Lease shall be in effect at the time Homeowner’s notice of exercise is given and on the last day of the term; and (c) there shall not then be an event of default by Homeowner under this Lease or under any loan documents between Homeowner and Permitted Mortgagee.

When Homeowner has rightfully exercised the option to extend, each party shall execute a memorandum, in mutually agreeable recordable form, acknowledging the fact that the option had been

exercised and otherwise complying with the requirements of law for an effective memorandum or notice of lease.

**3.3** Change of the Land Trust; Homeowner’s Right to Purchase. In the event that ownership of the Leased Land is conveyed or transferred (whether voluntarily or involuntarily) by the Land Trust to any other person or entity, this Lease shall not cease, but shall remain binding and unaffected. However, in the event the Land Trust desires or attempts to convey the Leased Land to any person or entity other than to a non-profit corporation, charitable trust, governmental agency or other similar entity having goals similar to those set forth in the Recitals above, Homeowner, if Homeowner is then living (or Homeowner’s successor-in-interest), shall have a right of first refusal to purchase the Leased Land. This right shall be as specified in the attached **Exhibit D** (Right of First Refusal). Any sale or other transfer contrary to this Section shall be null and void.

## **ARTICLE 4. USE OF LEASED LAND**

**4.1** Residential Use Only. Homeowner shall use, and shall cause all occupants to use, the Leased Land and Home only for residential purposes and such incidental activities related to Homeowner’s residential use that are permitted by zoning and building laws, codes and ordinances applicable to the Leased Land, including amendments thereto as may be enacted from time to time (collectively, “Zoning Laws”). In addition, use of the Leased Land shall be further limited by the restrictions set forth in the attached Exhibit E (Restrictions).

**4.2** Responsible Use and Compliance with Law. Homeowner shall use the Leased Land in a manner so as not to cause actual harm to others or create any nuisances, public or private; and shall dispose of any and all waste in a safe and sanitary manner. Homeowner shall maintain the Leased Land and Home in good, safe, and habitable condition in all respects except for normal wear and tear, and in full compliance with all applicable laws and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Leased Land and Home, including, without limitation, Zoning Laws, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease. In the event any fines or penalties of any nature are assessed against the Land Trust arising from the physical condition of the Leased Land, including, without limitation, due to any municipal point-of-sale or change of occupancy inspection conducted in

connection with the transfer of Homeowner's interest in the Leased Land pursuant to Article 10, Homeowner shall promptly reimburse the Land Trust for the same.

**4.3** Responsible for Others. Homeowner shall be responsible for the use of the Leased Land by all residents and their families, guests, friends and visitors, or anyone else using the Leased Land with their consent, and shall make them aware of the spirit, intent and relevant terms of this Lease.

**4.4** Occupancy. Homeowner shall personally occupy the Leased Land for at least 9 months of each calendar year of this Lease, unless otherwise agreed by the Land Trust. Occupancy by Homeowner's child, spouse or other persons approved by the Land Trust shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor the Land Trust's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and the Home, which is addressed in Section 4.5 below.

**4.5** Leased Land May not Be Subleased Without the Permission of the Land Lease. Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, sell or otherwise convey any of Homeowner's rights under this Lease, for any period of time, including any type of temporary hosting arrangement by Homeowner of the type facilitated by Airbnb or other provider, without the written permission of the Land Trust. Homeowner agrees that the Land Trust shall have the right to withhold such consent in order to further the purposes of this Lease. If permission for subleasing is granted, the sublease shall be subject to the following conditions:

- a) Any sublease shall be subject to all of the terms of this Lease.
- b) The rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged by the Land Trust, plus an amount approved by the Land Trust to cover Homeowner's costs in owning the Home, including, but not limited to, the cost of taxes, insurance and mortgage interest.

**4.6** Inspection. The Community Land Trust may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 24 hours before the planned inspection. In an emergency, the CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection. If the Community Land Trust has received an Intent-To-Sell Notice

(as described in Section 10.4 below), then the Community Land Trust has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The Community Land Trust must notify the Homeowner at least 24 hours before carrying out such inspection

**4.7** Homeowner's Right to Quiet Enjoyment. Homeowner has the right to quiet enjoyment of the Leased Land and Home, and the Land Trust has no desire or intention to interfere with the personal lives, associations, expressions, or actions of Homeowner, subject to the provisions of this Lease.

## ARTICLE 5. LAND LEASE FEE

**5.1** Lease Fee. In consideration of the possession, continued use and occupancy of the Leased Land, Homeowner shall pay to the Land Trust a monthly Lease Fee (the "Lease Fee") of twenty-five dollars (\$25.00)

**5.2** Payment of Lease Fee. The Lease Fee shall be payable at the address for the Land Trust specified in Section 15.1 on the first day of each month for as long as this Lease remains in effect. If the Lease commences on a day other than the first of the month, a pro-rata portion of the Lease Fee shall be paid for the balance of the month at the time the Lease is executed.

In the event that any amount of payable Lease Fee remains unpaid when the Home is sold and the leasehold estate is transferred to another party, the amount of payable Lease Fee shall be paid to the Land Trust out of any proceeds of sale otherwise due to Homeowner at the time of sale, which payment shall be a condition of the Land Trust's consent to such transfer. The Land Trust shall have, and the Homeowner hereby consents to, a lien upon the Home and the leasehold estate for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home and the leasehold estate except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

**5.3** Adjustment of Lease Fee. The Lease Fee specified in Section 5.1 shall be applicable during the term of this Lease, as adjusted in the way provided below. However, in the event that, for any reason, the provisions of Article 10 or Article 11 regarding transfers of the Home and the Leased Land or Section 4.4 regarding occupancy, are suspended or invalidated for any period of time, then



during that time, the Lease Fee shall be increased to an amount calculated by the Land Trust to equal the fair rental value of the Leased Land for use not restricted by the provisions of the suspended portions of the Lease. In such event, the Land Trust shall notify Homeowner of the amount calculated in this way, and the Lease Fee shall then be this amount. Thereafter, for so long as these restrictions are not reinstated in the Lease, the Land Trust may, from time to time, further increase the amount of such Lease Fee, provided that the amount of the Lease Fee does not exceed the fair rental value of the Leased Land, and provided that such increases do not occur more often than once in every 5 years. Also, the Lease Fee shall be automatically increased to include the full amount of any disbursements made by the Land Trust in accordance with Sections 6.4, 7.5 or 9.3 (collectively, “the Land Trust Disbursements”).

The amount specified in Section 5.1 shall be recalculated every tenth (10th) year during the term of the Lease. At such intervals, the amount shall be recalculated based on the change in the Consumer Price Index (CPI-U) for the Columbus metropolitan area over the previous 10-year period (and if the Lease Fee had been theretofore suspended, the Lease Fee shall be reinstated prior to making such calculation).

**5.4** Late Payment. If the Land Trust has not received any monthly installment of the Lease Fee on or before the date on which such installment first becomes payable under this Lease (the “Due Date”), the Land Trust may require Homeowner to pay a late fee not to exceed \$15.00 per month. Such late fee shall be deemed additional Lease Fee and shall be paid by Homeowner to the Land Trust upon demand; provided, however, that the Land Trust shall waive any such late fee that would otherwise be payable to the Land Trust if such payment of the Lease Fee is received by the Land Trust on or before the thirtieth (30th) day after the Due Date. Additionally, failure to pay the Lease Fee as required shall constitute an event of default, and shall be subject to the provisions of Section 12.1.

## **ARTICLE 6. TAXES AND ASSESSMENTS**

**6.1** Taxes and Assessments. Homeowner shall be responsible for payment of all taxes and assessments that relate to the Home and the Leased Land. Homeowner shall also pay directly, when due, any and all other service bills, utilities charges, or other governmental assessments charged against the Leased Land.

**6.2** Taxes on Leased Land. In the event that the local taxing authority bills the Land Trust for the taxes on the Leased Land or the Home, the Land Trust shall pass the responsibility for this expense to Homeowner and Homeowner shall promptly pay this bill. The Land Trust makes no representations regarding the deductibility of such property taxes for income tax purposes.

**6.3** Homeowner's Right to Contest. Homeowner shall have the right to make a written request to the Land Trust to contest the amount or validity of any taxes relating to the Home and Leased Land. After reviewing the request of Homeowner, the Land Trust, in the exercise of its reasonable judgement, reserves the right to pursue or refrain from pursuing a contest of the amount or the validity of any taxes related to the Home and the Lease Land. If the Land Trust elects to contest the amount or validity of any taxes relating to the Home and Lease Land, all costs and expenses of such proceedings, including the costs and expenses associated with the participation by the Land Trust in such proceedings, shall be paid by Homeowner.

**6.4** Payments in Event of Delinquency. In the event that Homeowner fails to pay the taxes or other charges specified in Section 6.1 and/or Section 6.2 when due, the Land Trust shall have the right, but not the obligation, to directly pay the amount of taxes or other charges as to which Homeowner is in arrears, in which event any such amount paid by the Land Trust shall be considered an additional charge immediately due and payable from Homeowner to the Land Trust hereunder and shall be deemed added to the Lease Fee.

**6.5** Proof of Compliance. Concurrently with the payment of any taxes, assessments, and charges required or permitted by the provisions of this Lease, each party shall furnish evidence satisfactory to the other documenting the payment. A photocopy of a paid receipt for such charges showing payment prior to the due date thereof shall be the usual method of furnishing such evidence. Failure to pay (or legally contest) any taxes or assessments when due shall constitute an event of default under this Lease by the Homeowner.

## **ARTICLE 7. OWNERSHIP OF HOME; FUTURE IMPROVEMENTS**

**7.1** Ownership. It is expressly understood and agreed that any and all buildings, structures, and other improvements purchased by Homeowner or placed by Homeowner upon any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be and remain



property of Homeowner. However, Homeowner's exercise of the rights of ownership of the Home is subject to the provisions of this Lease, including but not limited to provisions regarding the use and maintenance of the Home by Homeowner, the disposition of the Home by Homeowner, termination of the Lease and the option of the Land Trust to purchase the Home. In addition, Homeowner shall not (a) sever or move the Home from the Leased Land; or (b) transfer the Home, except in conjunction with the transfer of the Leased Land (in accordance with this Lease).

**7.2** Purchase of Home by Homeowner. Homeowner is purchasing the Home now located on the Leased Land and described in the Certificate of Ownership, the form of which is annexed to this Lease as **Exhibit F** (Certificate of Ownership).

**7.3** Construction and Alteration. Any construction to be carried out on the Leased Land, including additions to or alterations of the Home or the construction of new structures or other improvements (the "Future Improvements"), is subject to the following conditions: (a) all costs shall be borne and paid for by Homeowner; (b) all construction shall be performed in a workmanlike manner and shall comply with all applicable laws, ordinances and regulations, including, without limitation, Zoning Laws; (c) all construction shall be consistent with the permitted uses set forth in Article 4 and the Restrictions set forth in **Exhibit E**; and (d) Homeowner shall furnish to the Land Trust, for its prior written approval, a copy of any plans and all building permits (if required) for such construction prior to commencing construction.

As to any Future Improvement which will (i) increase or expand the exterior dimensions (including height) or square footage of the Home, (ii) change the use of the Home (e.g., converting a single-family to a two-family structure), (iii) add a separate exterior door to the Home, or (iv) add a new structure upon the Leased Land, such construction or alteration shall not be undertaken without the prior written consent of the Land Trust. When seeking the consent of the Land Trust, Homeowner shall submit a written request to the Land Trust. Such request shall include:

- a) a written statement of the reasons for undertaking the Future Improvement;
- b) a detailed set of drawings (floor plan and elevations) showing the dimensions of the Future Improvement;
- c) a list of the necessary materials, with quantities needed; and

d) a statement of who will do the work.

If the Land Trust finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The Land Trust then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. The Land Trust shall not unreasonably withhold such consent; however, it is agreed that maintaining affordability is adequate grounds for withholding consent.

**7.4** Intentionally Omitted.

**7.5** Prohibition of Liens. No lien for services, labor or materials resulting from Homeowner's construction shall attach to the title of the Land Trust to the Leased Land or to any other property owned by the Land Trust. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or any interest of the Land Trust. Homeowner shall not permit any statutory or similar lien to be filed against the Home or Homeowner's leasehold interest in the Leased Land which remains more than sixty (60) days after it has been filed. Homeowner shall cause any such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Homeowner shall fail to cause such lien to be discharged within the 60-day period, then, in addition to any other right or remedy, the Land Trust may, but shall not be obligated to, discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond in an amount sufficient to release the Leased Land from such lien. Any amounts paid by the Land Trust to discharge such liens shall be deemed to be an additional Lease Fee payable by Homeowner upon demand.

Notwithstanding anything to the contrary contained in Ohio Revised Code Section 1311.10 or in this Lease, Homeowner shall not be deemed to be a partner, joint venturer or agent of the Land Trust; and in no event shall any lien resulting from Homeowner's improvements to the Leased Land encumber the underlying fee simple estate owned by the Land Trust. Homeowner agrees that it shall not enter into any contract for any improvements to the Leased Land unless the following language is included in such contract:

“Notwithstanding anything herein contained to the contrary, the contractor acknowledges that Homeowner holds only a leasehold interest in the property which is the subject of this contract. Homeowner is not the agent or the owner of the property, and no lien resulting from work performed under this contract shall attach to the interest of such owner.”

Homeowner shall not permit any work to be commenced until such time as Homeowner has provided the Land Trust with a fully executed copy of the construction contract evidencing incorporation of the aforesaid language. In addition, prior to the commencement of work, Homeowner shall post the following notice in a conspicuous place on the Leased Land, and shall assure that such notice is maintained throughout the entire course of construction.

“NOTICE TO CONTRACTORS, SUBCONTRACTORS,  
MATERIALMEN AND LABORERS

Notice is hereby given that work on this property is being performed for Homeowner. Homeowner is not the agent or the owner of this property, and any lien rights shall be limited to the leasehold estate of Homeowner and shall in no event attach to the interest of the owner.”

**7.6** Maintenance and Services. Homeowner shall, at Homeowner’s sole expense, maintain the Leased Land and Home as required by Section 4.2. The Land Trust shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning or water, or to make any repairs to the Leased Land or Home, and Homeowner hereby assumes the full and sole responsibility for furnishing all services or facilities.

**7.7** Disposition of Home Upon Expiration of Lease Term. Upon the expiration of the term of this Lease, as such term may be extended or sooner terminated in accordance with this Lease, Homeowner shall surrender the Home together with the Leased Land to the Land Trust. Ownership of the Home shall thereupon automatically transfer to the Land Trust. Upon thus assuming title to the Home, the Land Trust shall promptly pay the Homeowner and Permitted Mortgagee(s) as follows:

First, the Land Trust shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner;

Second, the Land Trust shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the Land Trust under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home which may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney's fees incurred by the Land Trust.

## ARTICLE 8. FINANCING

### 8.1 Homeowner May Not Mortgage the Home Without the Permission of the Land Trust.

Homeowner may mortgage the Home and/or Homeowner's interest in the Leased Land only with the written permission of the Land Trust. Any mortgage permitted in writing by the Land Trust is defined as a "Permitted Mortgage," and the holder of such a mortgage is defined as a "Permitted Mortgagee."

8.2 By Signing Lease, the Land Trust Gives Permission for Original Mortgage. By signing this Lease, the Land Trust gives written permission for any mortgage signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 Homeowner Must Get Specific Permission for Refinancing or Other Subsequent Mortgages. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home or Homeowner's interest in the Leased Land (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform the Land Trust, in writing, of the proposed terms and conditions of such mortgage loan at least 15 business days prior to the expected closing of the loan. The information to be provided to the Land Trust must include:

- a) the name of the proposed lender;

- b) Homeowner's reason for requesting the loan;
- c) the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
- d) expected closing costs;
- e) the rate of interest;
- f) the repayment schedule;
- g) a copy of the appraisal commissioned in connection with the loan request;
- h) copies of the proposed leasehold mortgage and other loan documents; and
- i) the existence of any prepayment penalty.

The Land Trust may also require Homeowner to submit additional information. The Land Trust will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the Land Trust.

**8.4** The Land Trust is Required to Permit a "Standard Permitted Mortgage." The Land Trust shall be required to permit any mortgage for which the Homeowner has signed a Standard Permitted Mortgage as defined in the attached **Exhibit G** (Permitted Mortgages), the provisions of which shall be deemed incorporated in this Article 8 as if fully rewritten herein, and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

**8.5** A Permitted Mortgagee Has Certain Obligations Under the Lease. Any Permitted Mortgagee shall be bound by each of the requirements stated in **Exhibit G**, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the Land Trust to modify the terms of the Lease during the term of the Permitted Mortgage.

**8.6** A Permitted Mortgagee Has Certain Rights Under the Lease. Any Permitted Mortgagee shall have all of the rights and protections stated in **Exhibit G**.

**8.7** In the Event of Foreclosure, Any Proceeds in Excess of the Purchase Option Price Will Go to the Land Trust. Homeowner and the Land Trust recognize that it would be contrary to the

purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to the Land Trust all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to the Land Trust. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to the Land Trust.

**8.8** Right of the Land Trust to Purchase Pursuant to Foreclosure. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure, upon acquisition of title to the Home and leasehold estate by the Permitted Mortgagee, the Permitted Mortgagee shall give the Land Trust written notice of such acquisition and the Land Trust shall have an option to purchase the Home and leasehold estate from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage; provided, however, that the Land Trust gives written notice to the Permitted Mortgagee of the intent of the Land Trust to purchase the Home and leasehold estate within thirty (30) days following the receipt by the Land Trust of the Permitted Mortgagee's notice of such acquisition of the Home and leasehold estate. The Land Trust shall complete the purchase of the leasehold estate within sixty (60) days of having given written notice of its intent to purchase. If the Land Trust does not complete the purchase, the Permitted Mortgagee shall be free to sell the Home and leasehold estate to another person.

## **ARTICLE 9. LIABILITY, INSURANCE, DAMAGE AND DESTRUCTION, EMINENT DOMAIN**

**9.1** Homeowner Assumes All Liability. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

**9.2** Homeowner Must Defend the Land Trust Against All Claims of Liability. Homeowner shall defend, indemnify and hold the Land Trust harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against the Land Trust for injury or damage on or about the Leased Land. However, the Land Trust shall remain liable for injury or damage due to the grossly negligent or intentional acts or



omissions of the Land Trust or the grossly negligent or intentional acts or omissions of the agents or employees of the Land Trust.

**9.3** Homeowner Must Reimburse the Land Trust. In the event the Land Trust shall be required to pay any sum that is the Homeowner’s responsibility or liability, the Homeowner shall reimburse the Land Trust for such payment and for reasonable expenses caused thereby.

**9.4** Homeowner Must Insure the Home Against Loss and Must Maintain Liability Insurance on Home and Leased Land. Homeowner shall, at Homeowner’s expense, keep the Home continuously insured against “all risks” of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the Land Trust prior to the commencement of the Lease. Thereafter, if the Land Trust determines that the replacement value to be insured should be increased, the Land Trust shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the Land Trust of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without the approval of the Land Trust.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance using ISO Form HO 00 03 or its equivalent in the amount of \$500,000 per occurrence and in the aggregate. The Land Trust shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the Land Trust prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the request of the Land Trust but not more often than once in any one-year period. The Land Trust shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such

change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

**9.5** What Happens if Home is Damaged or Destroyed. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify the Land Trust of this problem, and the Land Trust may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and the Land Trust.

If Homeowner and the Land Trust cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give the Land Trust written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows:

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to the Land Trust for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above; and

SIXTH, the balance, if any, to the Land Trust.

**9.6** What Happens if Some or All of the Land is Taken for Public Use. If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to the Land Trust.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

**9.7** If Part of the Land is Taken, the Lease Fee May be Reduced. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, the Land Trust shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

**9.8** If the Lease is Terminated by Damage, Destruction or Taking, the Land Trust Will Try to Help Homeowner Buy Another Land Trust Home. If this Lease is terminated as a result of damage, destruction or taking, the Land Trust shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by the Land Trust if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds

or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against the Land Trust if such a home is not made available.

## ARTICLE 10. TRANSFER, SALE OR DISPOSITION OF HOME

**10.1** Intent. It is the understanding of the parties that the terms of this Lease, and in particular of this Article 10, are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

**10.2** Transfers to Income-Qualified Persons. Homeowner may transfer its interest in the Leased Land and the Home only to an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers shall be subject to a review by the Land Trust and purchase option rights set forth in this Article 10. Any purported transfer done without following the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

“Income-Qualified Person” shall mean a person or group of persons within a household whose household income does not exceed 120% of the Area Median Gross Income for the Columbus metropolitan area as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

**10.3** Transfer to Homeowner’s Heirs.

A. Where there is more than one party named as Homeowner, their interests in this Lease and in the Home shall be that of “joint tenants with rights of survivorship”, which means that upon death of one Homeowner, the interests in the Lease and the Home shall automatically pass to the surviving Homeowner(s), without the need for further consent by the Land Trust. Such surviving Homeowner(s) shall give written notice to the Land Trust within ninety (90) days following the death of the decedent Homeowner.

B. Upon the death of Homeowner (or the last surviving co-Homeowner, as the case may be), the executor of the decedent Homeowner’s estate shall give written notice to the Land Trust within ninety (90) days following the death of the decedent Homeowner. The Land Trust shall, unless for good cause

shown, consent to the transfer of the Home and enter into a new Lease with either (i) the spouse or “Domestic Partner” (as defined below) of Homeowner; (ii) the child or children of Homeowner (provided that one or more of the children has reached the age of majority, or (iii) any other individual or individuals specifically designated to inherit Homeowner’s rights in a valid will. For purposes of the preceding sentence, (i) “spouse” shall include a spouse under the laws of any other jurisdiction; and (ii) “Domestic Partner” shall mean any person so named in a letter from Homeowner to the Land Trust specifically with reference to this Section 10.3, which notice is revocable by a letter from either the Homeowner or the Domestic Partner.

C. The obligation of the Land Trust to enter into a new Lease with one or more of the successors listed above shall be conditioned upon the receipt by the Land Trust of executed Letters of Stipulation and Acknowledgment from the successors in form and substance similar to that of **Exhibits A and B** hereto, setting forth the successor’s review, understanding and acceptance of the terms of the Lease. Any successors, other than those identified in items B (i) and (ii) above, in addition to submitting Letters of Stipulation and Acknowledgment as provided above, must demonstrate to the reasonable satisfaction of the Land Trust that they are Income-Qualified Persons as defined in Section 10.2. If unable to do so, such designated successors shall not be entitled to possession of the Leased Land but must transfer the Home and the Leased Land in accordance with the provisions of this Article 10.

D. The requirements of occupancy of the Leased Land shall apply to all successors (including those inheriting by survivorship and those named in (i) and (ii) above), and any successor who does not occupy the Leased Land shall be required to transfer the Leased Land in accordance with this Article 10.

E. When the Land Trust enters into a new Lease pursuant to this Section 10.3, all of the values set forth in the old Lease shall carry forward and be restated in the new Lease.

F. In the event that no party is designated in accordance with Sections 10.3(A) or (B) to inherit the rights of the decedent Homeowner, the Homeowner’s interest shall be disposed of by the Land Trust in accordance with this Article 10, and any proceeds which would have been payable to Homeowner shall be paid to Homeowner’s estate.

**10.4** Homeowner's Notice of Intent to Sell. In the event that Homeowner wishes to transfer its interest in the Leased Land and the Home, Homeowner shall notify the Land Trust, in writing, of such wish (the "Intent-to-Sell Notice"). Such Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

**10.5** Appraisal. No later than ten (10) days after receipt of Homeowner's Intent-to-Sell Notice, a market valuation of the Leased Land and the Home (the "Appraisal") shall be commissioned to be performed by a mutually acceptable and duly licensed appraiser. The Land Trust shall commission and pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Land and Home were held in fee simple absolute, disregarding the restrictions of this Lease on the use of the Land and the transfer of the Home. The Appraisal shall state the values contributed by the Land and by the Home as separate amounts. Copies of the Appraisal are to be provided to both the Land Trust and Homeowner.

**10.6** Purchase Option of the Land Trust. Upon receipt of an Intent-to-Sell Notice from Homeowner, the Land Trust shall have the option to purchase the Home (the "Purchase Option") at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner. If the Land Trust elects to exercise the Purchase Option, the Land Trust shall notify Homeowner, in writing, of such election (the "Notice of Election to Exercise") within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, the Land Trust may either proceed to exercise the Purchase Option directly by purchasing the Home, or may assign the Purchase Option to an Income-Qualified Person. The purchase (by the Land Trust or its assignee) must be completed within sixty (60) days of the Notice of Election to Exercise by the Land Trust, or the Option shall expire. The time permitted for the exercise of the Purchase Option may be extended by mutual agreement of the Land Trust and Homeowner. Homeowner may recommend to the Land Trust a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Stipulation and Acknowledgment indicating informed acceptance of the terms of this Lease. The Land Trust shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless the Land Trust determines that its charitable mission is better served by retention of the Home for another purpose or transfer of the Home to another party.

**10.7 If Purchase Option Expires.** If the Purchase Option has expired, Homeowner may transfer the Home and the Lease to any Income-Qualified Person (as verified by the Land Trust), for not more than the then applicable Purchase Option Price. If, six (6) months after the expiration of the Purchase Option, the Home still has not been sold, Homeowner may transfer the Home and the Lease for not more than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

**10.8 Power of Attorney of the Land Trust to Conduct Sale.** In the event the Land Trust does not exercise its option to purchase as set forth above, the Homeowner (a) is not then residing in the Home and (b) continues to hold the Home out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one (1) year of the giving of the Intent-to-Sell Notice, Homeowner does hereby appoint the Land Trust its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the goals set forth in this Lease, sell the property, and distribute proceeds of sale. Proceeds shall be paid first to cover the costs of sale and reletting of the Leased Land and any other sums owed to the Land Trust by Homeowner. The remaining proceeds shall be paid to Homeowner (or its Permitted Mortgagee to the extent required by the Permitted Mortgagee) up to the then applicable Purchase Option Price calculated according to the provisions of this Article 10. The balance of such proceeds, if any, shall be paid to the Land Trust. The power of attorney granted in this Section 10.8 is coupled with an interest and all authority hereby conferred shall be irrevocable and may not be terminated by the Homeowner without the consent of the Land Trust.

**10.9 Purchase Option Price.** In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the value of the Home as determined by the Appraisal commissioned and conducted as provided in Section 10.5, or (b) the price calculated in accordance with the formula described below (the “Formula Price”).

**10.10 Calculation of the Formula Price.** The Formula Price shall be equal to Homeowner’s Purchase Price, as stated below, plus Homeowner’s Share of Market Value Appreciation in the market value of the Leased Land and the Home existing thereon calculated as follows:

(a) Homeowner's Purchase Price. The Land Trust and Homeowner agree that Homeowner's Purchase Price for the Home existing on the Leased Land as of the commencement of the term of this Lease is \$\_\_\_\_\_.

(b) Initial Appraised Value. The Land Trust and Homeowner agree that on or about the date of Homeowner's acquisition of the Home, a market valuation of the Leased Land and Home was conducted in accordance with the provisions of Section 10.5 and that the appraised value of the Leased Land and Home at the time is \$\_\_\_\_\_ (the "Initial Appraised Value").

(c) Current Appraised Value. The Land Trust and Homeowner agree that the market valuation of the Leased Land and the Home existing thereon conducted on or about the date of Homeowner's Notice of Intent to Sell, in accordance with the provisions of Section 10.4 and Section 10.5 of this Lease, shall be the Current Appraised Value.

(d) Calculation of Market Value Appreciation. For the purpose of determining the Purchase Option Price, Market Value Appreciation of the Leased Land and Home shall be determined by subtracting from the Current Appraised Value the Initial Appraised Value, above. If this calculation returns a negative number, the Market Value Appreciation shall be zero (\$0). Following is a table for calculating Market Value Appreciation:

<b>Current Appraised Value</b>	\$_____
<b>Minus Initial Appraised Value</b>	- \$_____
<b>Equals Market Value Appreciation</b> (Note: if <b>Current Appraised Value</b> minus <b>Initial Appraised Value</b> is negative, enter zero)	= \$_____

(e) Determination of Shared Appreciation Factor. For the purpose of calculating Homeowner's Share of Market Value Appreciation in Section 10.10(g), the Shared Appreciation Factor shall be twenty-five percent (25%).





(f) Calculation of Homeowner’s Share of Market Value Appreciation. For the purpose of determining the Formula Price, Homeowner’s Share of Appreciation in Market Value of the Home shall be determined by first multiplying the Market Value Appreciation by the Shared Appreciation Factor. Following is a table for calculating Homeowner’s Share of Market Value Appreciation:

<b>Market Value Appreciation</b>	\$ _____
Multiplied by <b>Shared Appreciation Factor</b>	x _____
<b>Equals Homeowner’s Share of Market Value Appreciation</b>	= \$ _____

(g) Calculation of Formula Price. The Formula Price shall be determined by adding to Homeowner’s Purchase Price: Homeowner’s Share of Market Value Appreciation. Following is a table for calculating the Formula Price:

<b>Homeowner’s Purchase Price</b>	\$ _____
Plus <b>Homeowner’s Share of Market Value Appreciation</b>	+ \$ _____
<b>Equals Formula Price</b>	= \$ _____

**10.11** New Lease. Following the transfer of the Home to any person(s) in accordance with this Article 10, the Land Trust shall enter into a new lease with such person(s). The terms of such lease shall be the same as those of new leases issued to Homebuyers at that time for land not previously leased by the Land Trust.

**10.12** Purchaser May be Charged a Transfer Fee. In the event that Homeowner sells the Home to a party other than the Land Trust (whether directly to such party or as a result of the assignment by the Land Trust of its Purchase Option to such party), the price to be paid by such



purchaser shall include in addition to the Purchase Option Price, at the discretion of the Land Trust, a transfer fee to compensate the Land Trust for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than four percent (4%) of the Purchase Option Price.

**10.13** Homeowner Required to Make Necessary Repairs at Transfer. The Homeowner is required to make necessary repairs when Homeowner voluntarily transfers the Home as follows:

(a) The person purchasing the Home (“Buyer”) shall, prior to purchasing the Home, hire at Buyer’s sole expense a building inspector with a current home inspector license from the State of Ohio or the municipality in which the Home is located to assess the condition of the Home and prepare a written report of the condition (“Inspection Report”). The Homeowner shall cooperate fully with the inspection.

(b) The Buyer shall provide a copy of the Inspection Report to Buyer’s lender (if any), Homeowner, and the Land Trust within 10 days after receiving the Inspection Report.

(c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.

(d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner’s written request, the Land Trust may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner’s proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner’s proceeds of sale in a Land Trust-approved escrow account.

(e) Homeowner shall allow the Land Trust, Buyer, and Buyer’s building inspector and lender’s representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.

(f) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the

Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

## ARTICLE 11. ASSIGNMENT AND SUBLEASE

Except as otherwise provided in Article 8 (including Permitted Mortgages) and Article 10, regarding transfers, Homeowner shall not assign this Lease. Homeowner shall not sublease, sell or otherwise convey any of Homeowner's rights under this Lease without the prior written consent of the Land Trust. Homeowner agrees that the Land Trust shall have broad and full discretion to withhold such consent in order to further the purposes and goals set forth in this Lease. If permission is granted, any sublease shall be subject to the following conditions:

- (a) Any such sublease shall be subject to all of the terms and provisions of this Lease;
- (b) The sublessee shall be an Income-Qualified Person, as defined in Section 10.2; and
- (c) The rental or occupancy fee charged the sublessee shall not be more than that Lease Fee charged to Homeowner by the Land Trust, plus an amount approved by the Land Trust to cover costs to Homeowner for the Home.

## ARTICLE 12. DEFAULT

**12.1 Monetary Default by Homeowner.** It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease, including any Land Trust Disbursements as defined in Section 5.3, and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by the Land Trust to Homeowner and Permitted Mortgagee. However, if Homeowner shall make a good faith partial payment of at least two-thirds (2/3) of the amount owed during such initial 30-day period, then such period shall be extended one additional 30-day period.

**12.2 Non-Monetary Default by Homeowner.** It shall be an event of default if Homeowner fails to abide by any other material term or condition in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by the Land Trust to Homeowner and Permitted Mortgagee. However, in the case where Homeowner or

Permitted Mortgagee has commenced to cure such default within such 60-day period and is continuing such cure with all due diligence but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonably required under the circumstances to complete such cure.

**12.3** Default by Homeowner Resulting from Judicial Process. It shall be an event of default if the estate hereby created shall be taken on execution or by other process of law, or if Homeowner shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of all or any substantial part of Homeowner's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

## 12.4

A. Default Gives the Land Trust the Right to Terminate Lease or Exercise its Purchase Option. In the case of any of the events of default described above, the Land Trust may terminate this Lease and initiate summary proceedings against Homeowner. Pursuant to such proceedings, without demand or notice, the Land Trust may enter any part of the Leased Land and repossess the entire Leased Land, including the Home, and expel Homeowner and those claiming rights through Homeowner and remove their effects without being guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. If this Lease is terminated by the Land Trust, or if the Land Trust re-enters the Leased Land pursuant to an event of default, Homeowner agrees to pay and be liable for any unpaid Lease Fee, damages which may be due or sustained prior to or in connection with such termination or re-entry, and all reasonable costs, fees and expenses (including, without limitation, reasonable attorneys' fees) incurred by the Land Trust in pursuit of its remedies under this Lease.

If the Land Trust shall elect to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to the rights of the Land Trust under Article 8) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee to acquire Homeowner's interest in the Lease by foreclosure of its mortgage or otherwise, provided the Permitted Mortgagee proceeds diligently with such efforts.

B. Default (Uncured Violation) Gives the Land Trust the Right to Terminate the Lease or Exercise its Purchase Option. In the case of any of the events of default described above, Homeowner hereby grants to the Land Trust (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, the Land Trust shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(B). Not later than ninety (90) days after the Land Trust gives notice to the Homeowner of the intent of the Land Trust to exercise its option under this Section 12.4(B), the Land Trust or its assignee shall purchase the Home for the Purchase Option Price.

**12.5** Default by the Land Trust. The Land Trust shall in no event be in default in the performance of any of the obligations of the Land Trust hereunder unless and until the Land Trust has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to the Land Trust properly specifying the failure of the Land Trust to perform any such obligation.

## ARTICLE 13. MEDIATION AND ARBITRATION

**13.1** Mediation and Arbitration Process. Should any grievance or dispute arise between the Land Trust and Homeowner concerning the terms of this Lease other than the payment of the Lease Fee, which cannot be resolved by normal interaction, the following procedures shall be used:

**13.2** The Land Trust or Homeowner shall notify the other in writing (the "Mediation Notice") of its selection of a mediator from a list of approved mediators on file with the Land Trust. The parties shall schedule mediation with the selected mediator not later than fifteen (15) days following receipt of the Mediation Notice.

**13.3** If within forty-five (45) days following the date of the Mediation Notice either party is unsatisfied with the result of mediation the matter may be submitted for arbitration, as follows: The Land Trust or Homeowner shall notify the other in writing (the “Arbitration Notice”) of its selection of a disinterested arbitrator. Within fifteen (15) days of the receipt of the Arbitration Notice, the other party may give written notice to the first party appointing a disinterested arbitrator of its own choice. These two arbitrators shall select a third arbitrator. If the other party fails to name an arbitrator within fifteen (15) days of receiving the Arbitration Notice from the first party, the arbitrator selected by the first party shall be the sole arbitrator. All arbitrators must be attorneys, real estate brokers or appraisers, duly certified and in good standing in the State of Ohio. The arbitrator or arbitrators shall conduct the arbitration in accordance with the rules of the American Arbitration Association. The decision of the arbitrators shall be binding on the Land Trust and Homeowner.

**13.4** The cost of the mediation and/or arbitration, including fees charged by the mediator and/or arbitrators, shall be borne equally by the Land Trust and Homeowner.

## ARTICLE 14. INTENTIONALLY OMITTED

## ARTICLE 15. GENERAL PROVISIONS

**15.1** Notices. Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to the Land Trust: Central Ohio Community Land Trust Corporation  
845 Parsons Avenue  
Columbus, Ohio 43206

If to Homeowner: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

**15.2** No Brokerage. Homeowner warrants and represents that it has not dealt with any broker in connection with the consummation of this Lease other than Maima Kamara, Coldwell Banker King Thompson, and in the event any claim is made against the Land Trust relative to dealings with brokers, Homeowner shall defend the claim against the Land Trust with counsel selected by the Land Trust and save harmless and indemnify the Land Trust on account of loss, cost or damage which may arise by reason of any such claim.

**15.3** Severability and Duration of Lease. If any part of this Lease shall be unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or the Land Trust against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that their respective options to purchase and all other rights and options under this Lease shall continue in full force and effect for the duration of the term of this Lease and any renewal thereof, and such options and other rights shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons: Children born in Ohio in facilities owned or controlled by OhioHealth (or any of its affiliates) and in facilities owned or controlled by Mount Carmel Health System (or any of its affiliates) for the one week period prior to the date of this Lease.

**15.4** Right of First Refusal in Lieu of Option. If the provisions of the Purchase Option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, the Land Trust shall nevertheless have a right of first refusal to purchase the Home at the highest bona fide purchase price offer made to Homeowner. Such right shall be as specified in **Exhibit D**. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

**15.5** Waiver. The waiver by the Land Trust at any given time of any term or condition of this Lease, or the failure of the Land Trust to take action with respect to any breach of any such term or

condition, shall not be deemed to be a waiver of such term or condition with regard to any subsequent breach of such term or condition, or of any other term or condition of the Lease. The Land Trust may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by the Land Trust before being effective.

The subsequent acceptance of Lease Fee payments or any other payment by the Land Trust shall not be deemed to be a waiver of any preceding breach by Homeowner of any term or condition of this Lease, other than the failure of Homeowner to pay the particular sum so accepted, regardless of the knowledge of the Land Trust of such preceding breach at the time of acceptance of such lease fee payment.

**15.6** Right of the Land Trust to Prosecute or Defend. The Land Trust shall have the right, but shall be under no obligation, to prosecute or defend, in its own or Homeowner's name, any actions or proceedings appropriate to the protection of its title to, and Homeowner's interest in the Leased Land. Whenever requested by the Land Trust, Homeowner shall give the Land Trust all reasonable aid in any such action or proceeding.

**15.7** Construction. Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

**15.8** Captions and Table of Contents. The captions and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

**15.9** Parties Bound. This Lease sets forth the entire agreement between the Land Trust and Homeowner with respect to the leasing of the Leased Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by the Land Trust and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.



**15.10** Governing Law. This Lease shall be interpreted in accordance with and governed by the laws of Ohio. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against the Land Trust or Homeowner.

**15.11** Recording. Homeowner agrees not to record this Lease, but the parties agree to execute and record a Memorandum of Lease in the form attached hereto as **Exhibit H**.

[This page intentionally left blank.]



IN WITNESS WHEREOF, the parties have executed this Lease at Columbus, Ohio on the day and year first above written.

THE CENTRAL OHIO COMMUNITY LAND  
TRUST CORPORATION

By: \_\_\_\_\_

Authorized Signatory

HOMEOWNER:

By: \_\_\_\_\_

BEFORE ME, a Notary Public in and for said County and State, this day personally appeared the above named \_\_\_\_\_ of Central Ohio Community Land Trust Corporation, an Ohio nonprofit corporation, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said corporation.

STATE OF OHIO            )  
COUNTY OF FRANKLIN    )

WITNESS my signature and notarial seal at Columbus, Ohio, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public



BEFORE ME, a Notary Public in and for said County and State, this day personally appeared the above named \_\_\_\_\_, , who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said corporation.

STATE OF OHIO                    )

WITNESS my signature and notarial seal at Columbus, Ohio, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public



## EXHIBIT A

### Letter of Stipulation

To: Central Ohio Community Land Trust Corporation (the “Land Trust”)

Date:

This letter is given to the Land Trust to become an exhibit to a Lease between the Land Trust and me. I will be leasing a parcel of land from the Land Trust and will be buying the Home that sits on that parcel of land. I will therefore become what is described here as a “Land Trust Homeowner.”

Before signing the Lease, I acknowledge that the Land Trust highly recommended that I review the terms and conditions of the Lease with legal counsel of my choice. To assist me in identifying legal counsel, I was given the following telephone number of the Lawyer Referral Service of the Columbus Bar Association (614) 221-0754. Nevertheless, after making my own decision whether to seek or not to seek legal counsel, I hereby represent to the Land Trust that I understand the way these Lease terms and Lease conditions will affect my rights as a Land Trust Homeowner, now and in the future.

In particular, I understand and agree with the following points.

One of the goals of the Land Trust is to keep the Land Trust homes affordable for lower-income households from one Land Trust Homeowner to the next. I support this goal as a Land Trust Homeowner.

The terms and conditions of my Lease will keep my home affordable for future “income-qualified persons” (as defined in the Lease). If and when I want to sell my Home, the Lease requires that I sell it either to the Land Trust or to another income-qualified person. The terms and conditions of the Lease also limit the price for which I can sell the Home, in order to keep it affordable for such income-qualified persons.

It is also a goal of the Land Trust to promote resident ownership of Land Trust Homes. For this reason, my Lease requires that, if I and my family move out of our Home permanently, we must sell it. We cannot continue to own it as absentee owners.



I understand that I can leave my Home to my spouse, Domestic Partner, child or children and that, after my death, they can own the Home for so long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.

As a Land Trust Homeowner, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to me and others.

In the event of an inconsistency between the summary of certain Lease provisions set forth above and the Lease itself, the Lease shall control.

Sincerely,

---

Homeowner's Signature

**EXHIBIT B-1**

**Letter of Acknowledgment from Homeowner’s Attorney**

I, \_\_\_\_\_, have been independently employed by \_\_\_\_\_ (hereinafter “Client”) who intends to purchase a Home located at \_\_\_\_\_, which is on land owned by Central Ohio Community Land Trust Corporation (the “Land Trust”).

In connection with the contemplated conveyance of said home, I reviewed with Client the following documents relating to the transaction:

- a) this Attorney’s Letter of Acknowledgment and a Letter of Stipulation from the Client;
- b) a Deed of the Property and other title information;
- c) the Land Lease to which this is an exhibit; and
- d) other publications by the Land Trust.

Client has received full and complete information and advice regarding this conveyance and the foregoing documents. My advice and review has been given to reasonably inform Client of the present and foreseeable risks and legal consequences of the contemplated transaction.

Client has entered the aforesaid transaction in reliance on his/her own judgment and upon his/her investigation of the facts. The full and complete advice and information provided by me was an integral element of such investigation.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm/Address



## EXHIBIT B-2

### Acknowledgment from Homeowner Not to Seek Legal Counsel

Although the Land Trust highly recommended that Homeowner review the terms and conditions of the Lease with legal counsel selected by Homeowner, Homeowner hereby wishes to inform the Land Trust that Homeowner has elected not to seek outside legal counsel and has entered into the Lease with the Land Trust in reliance on his/her own judgment and upon his/her investigation of the facts.

\_\_\_\_\_  
Signature of Homeowner

\_\_\_\_\_  
Date

Address of New Home



## EXHIBIT C

### Leased Land

Legal Description: Property is situated in the State of Ohio, County of Franklin, City of Columbus, and described as follows:

Being Lot Number.....

Parcel Number: \_\_\_\_\_

Street Address: \_\_\_\_\_





## EXHIBIT D

### RIGHT OF FIRST REFUSAL

Whenever any party under the Land Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale (“Offering Party”) shall within the term of the Land Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the “Holder”) shall have the following rights:

- a) Offering Party shall give written notice (the “Notice”) of such offer to Holder setting forth (1) the name and address of the prospective purchaser thereof, (2) the purchase price offered by the prospective purchaser, and (3) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice containing the offer (the “Election Period”) within which to elect to purchase the property on the same terms and conditions, including the purchase price set forth in the Notice. Such election shall be made by a written notice given to the Offering Party within the Election Period.
- b) If Holder makes the election to purchase the property, such purchase shall be made within sixty (60) days after such election shall have been made by Holder (or if the Notice shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice, including payment of the purchase price provided therein.
- c) Should Holder fail to make any election within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Land Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one (1) year period, the Offering Party’s right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one (1) year period, the purchaser shall purchase subject to a renewed right of first refusal in said property.

## EXHIBIT E

### RESTRICTIONS

The Leased Land shall be used only as a single-family dwelling, even if Zoning Laws permit a two-family dwelling.

## EXHIBIT F

### Certificate of Ownership

The undersigned, Central Ohio Community Land Trust Corporation, an Ohio nonprofit corporation (the “Land Trust”), does hereby grant to \_\_\_\_\_ (“Home Owner”) ownership of all of the Home situated on the property known as 789 Siebert Street, Columbus, Ohio 43206 . Such ownership shall be subject to all of the terms and conditions of the Land Lease entered into by and between Home Owner and the Land Trust as of the date hereof.

IN WITNESS WHEREOF, the Land Trust has set its hand as of the 18th day of February, 2020.

CENTRAL OHIO COMMUNITY LAND  
TRUST CORPORATION

By: \_\_\_\_\_

Authorized Signatory

ACKNOWLEDGED, ACCEPTED AND AGREED:

\_\_\_\_\_

Homeowner Signature



## EXHIBIT G

### Permitted Mortgages

The provisions set forth in this Exhibit shall be understood to be provisions of Article 8 of the Lease to which this Exhibit is attached and in which this Exhibit is referenced. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

**STANDARD PERMITTED MORTGAGE:** A “Standard Permitted Mortgage”, as identified in Section 8.1 of the Lease to which this Exhibit is attached, shall be a mortgage that meets the following requirements:

- a) Such Mortgage shall run in favor of either (1) a so-called “institutional lender” such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association or insured credit union), an insurance company, a pension and/or profit-sharing fund or trust, or any combination of the foregoing, the policies and procedures of which institutional lender are subject to direct governmental supervision, or (2) a “community development financial institution” as certified by the U.S. Department of the Treasury, or similar non-profit lender to housing projects for low and moderate income persons;
- b) Such Mortgage shall be a first lien on all or any of the Home and Leasehold Estate (the “Security”);
- c) Such Mortgage shall provide, among other things, that in the event of a default in any of the mortgagor’s obligations thereunder, the holder of such Mortgage shall notify the Land Trust of such fact and the Land Trust shall have the right (but shall not have the obligation) within 120 days after its receipt of such notice, to cure such default in the mortgagor’s name and on mortgagor’s behalf, provided that current payments due the holder during such 120 day period (or such lesser time period as may have been required to cure such default) are made to the holder, and shall further provide that said holder shall not have the right, unless such default shall not have been cured within such time, to accelerate the note secured by such Mortgage or to commence to foreclose under the Mortgage on account of such default;
- d) Such Mortgage shall provide, among other things, that if after such cure period the holder intends to accelerate the note secured by such Mortgage or initiate foreclosure proceedings

under the Mortgage, in accordance with the provisions of this Lease, the holder shall first notify the Land Trust of its intention to do so and the Land Trust shall have the right, but not the obligation, upon notifying the holder within thirty (30) days of receipt of said notice from said holder, to pay off the indebtedness secured by such Mortgage and to acquire such Mortgage;

- e) Such Mortgage and related documentation shall not contain any provisions other than provisions generally contained in mortgages used for similar transactions in the Central Ohio area by institutional mortgages;
- f) Such Mortgage and related documentation shall not contain any provisions which could be construed as rendering the Land Trust or any subsequent holder of the interest of the Land Trust in and to this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof;
- g) Such Mortgage and related documentation shall contain provisions to the effect that the holder of such Mortgage shall not look to the Land Trust or the interest of the Land Trust in the Leased Land, but will look solely to Homeowner, the leasehold estate created hereby, the Home, or such other buildings and Home which may from time to time exist on the Leased Land, for the payment of the debt secured thereby or any part thereof (it is the intention of the parties hereto that the consent of the Land Trust to such Mortgage shall be without any liability on the part of the Land Trust for any deficiency judgment);
- h) Such Mortgage and related documentation shall provide that in the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the holder of the Mortgage in accordance with the provisions of Article 9 hereof; and
- i) Such Mortgage and related documentation shall contain nothing that obligates the Land Trust to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

**RIGHTS OF PERMITTED MORTGAGEE:** The rights of a holder of a Permitted Mortgage (Permitted Mortgagee) as referenced under Section 8.1 of the Lease to which this Exhibit is attached shall be as set forth below.



A Permitted Mortgagee shall without requirement of consent by the Land Trust have the right, but not the obligation, to:

- a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance by a Permitted Mortgagee being effective as if it had been undertaken and performed by Homeowner;
- b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in said Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and
- c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

Permitted Mortgagee shall not, as a condition to the exercise of its rights under the Lease, be required to assume personal liability for the payment and performance of the obligations of Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Security and the Leased Land. In the event Permitted Mortgagee does take possession of the Security and thereupon transfers the Security, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

In the event that title to the estates of both the Land Trust and Homeowner shall be acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage. In the event that the estate of the Land Trust is owned at any time by Homeowner (regardless of a merger), or by any person in which Homeowner has a direct or indirect interest, Permitted Mortgagee shall not be obligated to cure any default of Homeowner under the Lease as condition to the forbearance by the Land Trust in the exercise of the remedies of the Land Trust as provided in the Lease.

Any amendments to this Lease shall be subject to the written approval of Permitted Mortgagee, which approval shall not be unreasonably withheld or delayed. The passage of sixty (60) days after submittal to Permitted Mortgagee of a proposed amendment without approval or disapproval by Permitted Mortgagee shall be deemed approval thereof.

If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, the Land Trust shall enter into a new lease of the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to the approval of the Land Trust, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to the Land Trust for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be Homeowner thereunder, and the Permitted Mortgagee shall have cured all defaults under the Lease which can be cured by the payment of money. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Leased Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by the Land Trust, Homeowner and the Permitted Mortgagee.

The Land Trust shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

In the event that the Land Trust sends a notice of default under the Lease to Homeowner, the Land Trust shall also send a notice of Homeowner's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 15.1 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to the Land Trust by a written notice to the Land Trust sent in the manner set forth in said Section 15.1 of the Lease.



**The following pages 49 – 52 of this Land Lease are intentionally left blank and are replaced with an acceptable formatted Memorandum of Lease for recording purposes at the Franklin County Recorder’s Office.**





**EXHIBIT H**  
**Intentionally Left Blank**  
**Memorandum of Lease**

**THIS MEMORANDUM OF LEASE**, executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between CENTRAL OHIO COMMUNITY LAND TRUST CORPORATION, an Ohio nonprofit corporation (the “Land Trust”) and \_\_\_\_\_ (“Homeowner”), who represent as follows:

- 1) The address of the Land Trust is 845 Parsons Avenue, Columbus, Ohio 43206.
- 2) The address of Homeowner is \_\_\_\_\_.
- 3) Homeowner and the Land Trust entered into that certain Land Lease dated \_\_\_\_\_, 2020 (the “Lease”), with respect to certain premises further described on Exhibit “A” attached hereto and made a part hereof by this reference (the “Leased Land”).
- 4) The Land Trust claims title to the Leased Land pursuant to the Deed recorded at \_\_\_\_\_ of Franklin County Records.
- 5) The term of the Lease shall commence on the date hereof and shall continue for ninety-nine (99) years. Homeowner shall have the right to renew the term of the Lease for one (1) additional term of ninety-nine (99) years.
- 6) The Lease prohibits Homeowner from mortgaging the Home and Homeowner’s interest in the Leased Land without the consent of the Land Trust.
- 7) The Lease requires that, in the event Homeowner intends to sell the Home, Homeowner shall notify the Land Trust of such intent; and that, thereupon, the Land Trust shall have the option to purchase the Home on the terms and conditions contained in the Lease. The Home may not be conveyed to a third party without compliance with the terms of the Lease.
- 8) The Lease stipulates that Homeowner’s interest in the Leased Land shall not be assigned or subleased without the prior written consent of the Land Trust.
- 9) The Lease requires that the Leased Land be used only for residential purposes. Any additions or alterations to the Home must comply with the terms of the Lease.



- 10) No liens or services, labor, or materials shall attach to the title of the Land Trust to the Leased Land.
- 11) The Lease requires Homeowner to make certain monthly payments.
- 12) The Lease requires that this Memorandum of Lease be recorded in the records of Franklin County, Ohio.

This Memorandum is executed pursuant to the provisions contained in the Lease and is not intended to vary the terms and conditions of the Lease, but is intended only to give notice of such Lease and the provisions thereof.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first set forth above.

CENTRAL OHIO COMMUNITY LAND  
TRUST CORPORATION

By: \_\_\_\_\_

Authorized Signatory

HOMEOWNER

By: \_\_\_\_\_

STATE OF OHIO                    )  
  ) SS.  
COUNTY OF FRANKLIN        )

BEFORE ME, a Notary Public in and for said County and State, did personally appear \_\_\_\_\_, who acknowledged to me that he/she/they did sign the foregoing instrument, and that the same is his/her/their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Columbus, Ohio, this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public

This Instrument Prepared By:  
Michael E. Flowers, Esq.  
Steptoe & Johnson PLLC  
41 South High Street, Suite 2200  
Columbus, Ohio 43215



**EXHIBIT A to Memorandum of Lease**  
**Intentionally Left Blank**  
**Legal Description**

**Permanent Parcel Number:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

\_\_\_\_\_

**Prior Instrument:** \_\_\_\_\_

