

Unofficial Document

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To:

WHEN RECORDED, RETURN ELECTRONIC COPY TO:

Arizona Department of Housing
1110 W. Washington, Suite 280
Phoenix, Arizona 85007

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

(Housing Trust Fund Program)

The SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Second Amendment") is effective as of the date of recording, by and between **Phoenix Leased Housing Associates III, LLLP**, a Minnesota limited liability limited partnership (the "Owner"), and **State of Arizona, Arizona Department of Housing**, a department and agency of the State of Arizona, its successors and/or assigns, (the "Department").

RECITALS:

- A. Pursuant to A.R.S. § 41-3901 *et seq.* the Department is the housing agency authorized for the purpose of administering State Housing Trust Funds ("HTF").
- B. The Declaration of Covenants, Conditions and Restrictions (the "CC&Rs") are dated March 30, 2022 and recorded in the Official Records of Maricopa County, Arizona on April 1, 2022 under Instrument No. 20220294946 (the "Original Declaration"), amended and recorded on October 24, 2022 in the Official Records of Maricopa County, Arizona, as Instrument No. 20220794062 (the "First Amendment").
- C. The Owner and Department agree to amend the Original Attachment II to omit Washer & Dryer Hookups in Revised Attachment II – Section 5(b) and 5(c).

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Owner and the Department agree as follows:

1. **RECITALS.** The Recitals set forth above are true and correct and are incorporated herein by reference in their entirety.

2. **ATTACHMENT II.** Attachment II of the Original Declaration is hereby deleted in its entirety and amended to omit Washer & Dryer Hookups, as set forth in the Revised Attachment II, attached hereto and incorporated herein by reference.
3. **CONTINUING VALIDITY.** Except as expressly changed by this First Amendment, the terms of the Original Declaration remain unchanged and are in full force and effect. Consent by the Department to this Second Amendment does not obligate the Department to make further Amendments.
4. **COUNTERPART.** This Second Amendment may be executed in one or more counterparts, each of which in the aggregate shall constitute one and the same Amendment.

AGREED as of the Effective Date of this Second Amendment as evidenced by the signature of the respective authorized representatives of the Owner and Department, below:

[SIGNATURES AND ACKNOWLEDGEMENTS APPEAR ON THE FOLLOWING PAGES]

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DECLARANT / OWNER:

PHOENIX LEASED HOUSING ASSOCIATES III, LLLP,
a Minnesota limited liability limited partnership

By: Langston Hughes Aviara Flats, LLC,
a Georgia limited liability company
Its: General Partner

By: Langston Hughes Affordable Housing, Inc.,
a Georgia 501(c)(3) nonprofit corporation
Its: Manager

By: _____
David Sewall Searles, Jr.
Its: President

State of Georgia _____)
) ss.
County of Dekalb)

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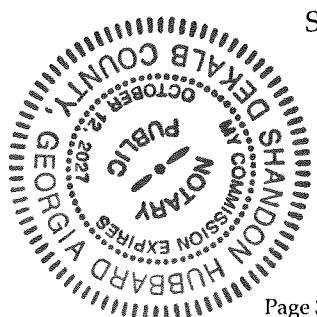
On this the 25 day of November 2025, before me, a Notary Public, personally appeared **David Sewall Searles, Jr.**, who acknowledged himself to be the **President** of Langston Hughes Affordable Housing, Inc., a Georgia 501(c)(3) nonprofit corporation, the Manager of Langston Hughes Aviara Flats, LLC, a Georgia limited liability company, the General Partner of Phoenix Leased Housing Associates III, LLLP, a Minnesota limited liability limited partnership, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument titled Second Amendment to the Declaration of Covenants, Conditions and Restrictions and acknowledged that s/he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

October 12 2027

Notary Expiration Date

Signature of the Notary Public for Owner

[STAMP/SEAL]



DEPARTMENT:

STATE OF ARIZONA, ARIZONA DEPARTMENT OF HOUSING,
a constituent department and an agency of the State of Arizona

Keon Montgomery



11/24/2025 01:36 PM MST

By: _____

Ruby Dhillon-Williams, Director

or Joan Serviss, Deputy Director

or Keon Montgomery, Assistant Deputy Director/Housing & Community Development

State of Arizona

)

) ss.

County of Maricopa

)

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On this the 24th day of November 2025, acknowledged before me, a Notary Public, by means of communication technology or personally appeared Keon Montgomery, the Assistant Deputy Director, known to me or satisfactorily proven to be the person whose name is subscribed to this instrument titled Second Amendment to the Declaration of Covenants, Conditions and Restrictions and acknowledged that she executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

April 1, 2029

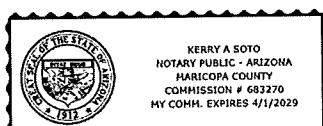
Notary Expiration Date

Kerry A Soto



11/24/2025 01:41 PM MST

Signature of the Notary Public for Department



Online Notary Public. This notarial act involved the use of online audio/video communication technology. Notarization facilitated by SIGNIX®

ATTACHMENT II**OCCUPANCY RESTRICTIONS AND PROJECT UNIT CHARACTERISTICS**

This Attachment describes the specific affordability requirements and occupancy restrictions for the Project required by the applicable program regulations and the project characteristics as described and represented to the Department by the Owner in the materials described in Recital paragraph C. The Project shall be operated and maintained according to the unit mix and with the amenities described herein.

1. Residential Rental Unit Mix. The Owner acknowledges that the Project will consist of sixteen (16) residential buildings. The Project's unit mix will include a total of three hundred seventy-two (372) units: twelve (12) one-bedroom one-bathroom, one hundred sixty-eight (168) two-bedroom two-bathroom, and one hundred ninety-two (192) three-bedroom two-bathroom units.
2. Nine (9) units are State-Assisted Units. The State-Assisted Units shall be Floating Units (the units must be scattered throughout the floors in the buildings). The State-Assisted Units shall not be layered with any other units with Governmental Assistance except for units with rental assistance.
3. In addition, for all construction projects using Federal HOME funds or State Housing Trust Funds (HTF), five (5) percent of the units in the Project nineteen (19) units must be accessible to individuals with mobility impairments, and an additional two (2) percent of the units eight (8) units must be accessible to individuals with sensory impairments. These units must not overlap with each other.
4. Eligible Tenants. If a housing unit is not occupied by eligible tenants within six months following the date of Project Completion, ADOH will require the Owner to submit marketing information and, if appropriate, submit a marketing plan.
5. Tenant Income and Rent Restrictions. No less than nine (9) (one one-bedroom, four two-bedroom, and four three-bedroom) units must be designated as HTF-assisted units and will be configured as follows:
 - (i) All nine (9) State Assisted Units must be reserved for households initially earning no more than sixty (60)% of the area median income, and the rents, paid by the tenants, on those units shall be no greater than the LIHTC rent limit for the unit, adjusted for a tenant-paid utility allowance.
 - a) Annual Recertification of Tenant Income: The Owner must reexamine the income of tenants living in State-Assisted Units at least annually. Each recertification must take place on the anniversary of the original income evaluation and lease signing, unless the Owner has adopted an annual schedule to perform all verifications at the same time;
 - b) Adjusting Rents for Over-Income Tenants: Over-income tenants in State-Assisted Units, as described in paragraph 5(a) above, must pay 30% of their adjusted income for rent plus

the authorized utility allowance. If 30% of their adjusted income exceeds the fair market rent, the Owner may charge only up to the fair market rent. When state or local law imposes rent controls, the rent control applies; and

- c) Annual rent increases for State Assisted Units must be approved by ADOH through the Annual Compliance Report, which is due no later than March 15th of every year thereafter.
6. Priority Occupancy for Low-Income Tenants with Special Needs. **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by individuals or families, where at least one member of the individual or family meets one or more of the following criteria:
- a) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by homeless individual(s) or families meaning a person(s) who has lived a) in places not meant for human habitation such as cars, parks, sidewalks, abandoned buildings, etc.; b) in an emergency shelter facility; c) in a transitional housing facility (not permanent housing);
 - b) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by seriously mentally ill persons, meaning adults whose emotional or behavioral functioning is so impaired as to interfere with their capacity to remain in the community without supportive treatment. The mental impairment is severe and persistent and may result in a limitation of their functional capacities for primary activities of daily living, interpersonal relationships, homemaking, self-care, employment or recreation. The mental impairment Unofficial Document may limit their ability to seek or receive local, state or federal assistance such as housing, medical and dental care, rehabilitation services, income assistance, or protective services;
 - c) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by persons with development disabilities meaning persons suffering from a severe, chronic condition attributable to a physical or mental impairment manifesting itself before the age of 22 and likely to continue indefinitely. Persons with development disabilities are to be certified by a referral agency recognized by the Department;
 - d) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by victims of AIDS/HIV, as certified by a licensed M.D.;
 - e) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by victims of domestic violence, as certified by referral agency recognized by the Department;
 - f) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by victims of chronic substance abuse, as certified by a referral agency recognized by the Department; and
 - g) **Zero (0)** of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by persons with a physical disability suffering from a physical

impairment that substantially limits one or more major life activity or have a record of such impairment.

7. Priority Occupancy for Senior and Elderly Low-Income Tenants.

- a) Zero (0) of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by individuals or families, where at least one individual in each unit will be 55 years of age or older; and
- b) Zero (0) of the State-Assisted Units of the Project shall be required to be occupied (or treated as occupied) by a family whose head, spouse, or sole member is a person who is at least 62 years of age, or two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides, where the Project makes Supportive Services available to tenants.

8. Proposed Rents. The following are the proposed rent limits for the State Assisted Units as provided in the application by the ownership. All future rent increases must be approved in writing by the ADOH Housing Compliance Department prior to implementation.

One Bedroom 60% - \$994.00 gross rent
Two Bedroom 60% - \$1,192.00 gross rent
Three Bedroom 60% - \$1,377.00 gross rent

9. Amenities and Design Features. The Official Document acknowledges that the following amenities and design features will be included in the Project upon completion of construction:

- a) Project parking will consist of two hundred eighty-seven (287) uncovered spaces and three hundred seventy-five (375) carports.
- b) Agreed upon Amenities for the project will be as follows:

Range	Refrigerator	Dishwasher
Disposal	Kitchen Exhaust Fan	Microwave
Air Conditioning	Window Coverings	Ceiling Fans
	Patio/Balconies	

- c) Agreed upon Design Features specifically installed in the Project include:

Community Room	Common Laundry Area Washers (19) Dryers (19)	Gated Community
Playground	BBQ Area	Picnic Area w/Tables
Security Cameras/Intercom	Pool (1)	

- d) Agreed upon specific Tenant Services, at no cost to the residents or to the Project's operating budget, include:

Not Applicable

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