[**NOTE**: for use **only** by Modest Rental Projects, Large Rental Projects and Very Large Rental Projects that are applying for benefits pursuant to RPTL § 485-x Affordability Option A or Affordability Option B. Submit a completed, unexecuted DRAFT of this document together with the Property’s § 485-x Application to HPD’s Tax Incentives Program unit for review. Once HPD approves the DRAFT, it must be executed and recorded by the fee owner and any ground lessee of the Eligible Multiple Dwelling(s) on the Property as defined below before the Certificate of Eligibility can be approved.]

Delete all *[italicized bracketed]* sections specific to projects subject to a ground lease where inapplicable to the Property.

**THIS RESTRICTIVE DECLARATION** ("Restrictive Declaration"), entered into as of the Select Day day of Select Month, Select Year, by Enter Owner Entity Name, having its principal office at Enter Owner Entity Business Address ("Owner") *[if subject to a ground lease:* and Enter Applicant Entity Name*,* having its principal office at Enter Applicant Entity Business Address (“Applicant”)*]*.

**WHEREAS**, Owner holds title to certain real property located in the Borough of Select Property Borough in the City and State of New York, known as and by the street address Enter Application Property Address**,** and identified as Block Enter #, Lot(s) Enter # on the Tax Map of the City of New York ("Property"); and

*[if subject to a ground lease:* **WHEREAS**,Applicant holds title to the leasehold estate in the Property pursuant to that certain lease having a term ending onselect Ground Lease Termination Datebetween Owner and Applicant*,* datedselect Ground Lease Commencement Date(“Lease”); and*]*

**WHEREAS**, the Property contains one or more Eligible Multiple Dwellings receiving an exemption from real property taxation pursuant to Section 485-x of theReal Property Tax Law and Chapter 63 of Title 28 of the Rules of the City of New York (collectively “§ 485-x”) pursuant to § 485-x Tax Exemption Benefit Application TEX*00000*; and

**WHEREAS**,unless otherwise defined in this Restrictive Declaration, capitalized terms used herein shall have the meaning set forth in § 485-x; and

**WHEREAS**, eligibility for exemption from real property taxation pursuant to § 485-x is conditioned upon the Propertymeeting Affordability Option A or B as set forth in § 485-x upon initial rental of such units and upon all subsequent rentals of such units after a vacancy in perpetuity (“Affordability Requirement”); and

**WHEREAS**, eligibility for exemption from real property taxation pursuant to § 485-x is also conditioned upon the Affordable Housing Units being subject to Rent Stabilization in perpetuity (“Rent Stabilization Requirement”); and

**WHEREAS**, to ensure compliance with the Affordability Requirement, § 485-x mandates that all Affordable Housing Units be rented to eligible tenantsat or below the Permitted Rent; and

**WHEREAS**, § 485-x also mandates that a Marketing Monitor approved by the Agency enter into a Monitoring Contract requiring that such Marketing Monitor: (a) be provided monthly rent rolls for all Affordable Housing Units; (b) be notified no fewer than seven business days after an Affordable Housing Unit becomes vacant; (c) ensure in perpetuity that any Affordable Housing Unit that becomes vacant (i) is not held off the market for a period that is longer than is reasonably necessary to perform needed repairs, (ii) is promptly marketed, (iii) is rented to a household that meets the applicable income and occupancy requirements for such Affordable Housing Unit and that has been approved by the Agency prior to execution of a lease, (iv) is not offered to or rented by a corporation, partnership or other entity, and (v) is offered for occupancy pursuant to a rent stabilized lease for a term of one or two years, at the option of the tenant; and (d) submit quarterly rent rolls for all Affordable Housing Units to the Agency (“Monitoring Requirement”); and

**WHEREAS**, select Completion Date is the Completion Date in accordance with Real Property Tax Law § 485-x*.*

**NOW THEREFORE**, in order to obtain an exemption from real property taxation pursuant to § 485-x, the Owner *[if subject to a ground lease:* and Applicant*]*  has *[or, if subject to a ground lease:* have*]* agreed to execute and record this instrument, which provides as follows:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and extending in perpetuity.

2. Each Affordable Housing Unit in the Property is identified in Exhibit A from the HPD-approved Workbook as attached hereto, which also provides the number of bedrooms such Affordable Housing Unit contains and the applicable prescribed percentage of Area Median Income for each such Affordable Housing Unit.

3. The Affordable Housing Units shall be subject to the Rent Stabilization Requirement in perpetuity. Additionally, any Affordable Housing Unit occupied by a tenant whose eligibility has been approved by the Agency either prior to the Agency's denial of this Property’s § 485-x Application or in a Property for which a § 485-x Application has not been filed with the Agency or has been withdrawn after filing with the Agency, shall remain subject to Rent Stabilization until such tenant vacates such Affordable Housing Unit.

4. Each Affordable Housing Unit shall be rented at or below the Permitted Rent in perpetuity. (“Permitted Rent Requirement”).

5. No Affordable Housing Unit shall be held off the market for a period that is longer than is reasonably necessary or offeredto a corporation, partnership or other entity (“Rental Requirement”).

6. No portion of the Property shall be operated as a Hotel (“Hotel Prohibition Requirement”).

7. The Affordable Housing Units shall be subject to the Monitoring Requirement in perpetuity.

8. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

9. The Affordability Requirement, Rent Stabilization Requirement, Permitted Rent Requirement, Rental Requirement, Hotel Prohibition Requirementand Monitoring Requirement set forth in this Restrictive Declaration shall run with the land in perpetuity, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.

*[10. if subject to ground lease:* Applicant shall be obligated to perform or cause performance of the terms of this Restrictive Declaration during the term of the Lease and Owner shall be obligated to perform or cause performance of the terms of this Restrictive Declaration following the termination of the Lease. Further, in such instance, Owner shall have the right to enter into another lease of the Property, in which event the tenant thereunder shall be the party obligated under this Restrictive Declaration.*]*

By:

Click or tap here to enter text.

Printed Name

Click or tap here to enter text.

Authorized Signatory Affiliation

STATE OF NEW YORK )

 ) SS:

COUNTY OF NEW YORK)

On this Select Day day of Select Month, Select Year, before me, the undersigned, a Notary Public in and for said State, personally appeared Authorized Signatory Name, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to inthe within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NOTARY PUBLIC

Record and Return to:

John Leonard, Executive Director

Tax Incentives Programs

Department of Housing Preservation and Development

100 Gold Street, Room 8-D09

New York, New York 10038

Exhibit A