

Responsibilities of the Community Land Trust Set Forth in the Ground Lease

	Calculate Prices	Notify Lessee	Record \$\$ or Notices	Review & Approve	Monitor	Manage/ Intervene	Arbitrate
2.2 RESERVATION OF MINERAL RIGHTS: If the Lessee's right of use and occupancy would be disrupted, the Lessor shall not extract minerals without the consent of the Lessee.		✓					
3.3 CHANGE OF LESSOR; LESSEE'S RIGHT TO PURCHASE: If the Lessor desires to convey the Land to any entity other than a nonprofit corporation, charitable trust, or governmental agency, the Lessee shall have a right of first refusal to purchase the Land.		✓					
5.1 GROUND LEASE FEE: Lessee shall pay to Lessor a monthly ground lease fee.			✓				
4.1 RESIDENTIAL USE ONLY: Lessee shall use the Leased Premises and Improvements only for residential purposes and any incidental activities related to residential use that are currently permitted by applicable zoning.					✓		
4.2 RESPONSIBLE USE AND COMPLIANCE WITH LAW: Lessee shall use the Leased Premises 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. Lessee shall maintain the Leased Premises and Improvements in good, safe, and habitable condition in all respects, except for normal wear and tear, in full compliance with all applicable laws and regulations.					✓		
4.4 OCCUPANCY: Lessee shall occupy the Leased Premises for at least ten (10) months of each year, unless otherwise agreed by Lessor.					✓		
5.4 REDUCTION, DELAY OR WAIVER OF GROUND LEASE FEE: Lessor may reduce, delay or waive entirely the Ground Lease Fee at any time for the purpose of ensuring affordable monthly housing costs for the Lessee. Any such reduction, delay, or waiver must be in writing and signed by Lessor before being effective.		✓					
4.5 INSPECTION: Lessor may inspect the Leased Premises upon at least twenty-four (24) hours' oral or written notice to Lessee.		✓					
5.5 ADJUSTMENT OF GROUND LEASE FEE: Under certain circumstances, the Ground Lease Fee may be increased to the fair rental value of the Leased Premises. In such event, the Lessor shall notify Lessee of the amount calculated in this way.	✓	✓					
5.5 ADJUSTMENT OF GROUND LEASE FEE: In order to keep the Ground Lease Fee reasonably current, the amount shall be recalculated every fifth (5 th) year. Lessor shall notify Lessee promptly upon recalculation of the new Ground Lease Fee amount.	✓	✓					

	Calculate Prices	Notify Lessee	Record \$\$ or Notices	Review & Approve	Monitor	Manage/ Intervene	Arbitrate
5.5 ADJUSTMENT OF GROUND LEASE FEE: If Lessee states objections to the recalculated Ground Lease Fee, and Lessor and Lessee are unable to agree on a recalculated Ground Lease Fee, the dispute shall be resolved according to the arbitration process set forth in the lease							✓
5.5 ADJUSTMENT OF GROUND LEASE FEE: Lessor shall maintain in its file a notarized certification of the amount of such recalculated Ground Lease Fee and the process by which it was determined.			✓				
6.1 TAXES AND ASSESSMENTS: Lessee shall be responsible for payment of all taxes and assessments that relate to the Improvements and the Leased Premises. Lessee shall also pay directly, when due, all other service bills, utility charges, or other assessments charged against the Leased Premises.					✓		
6.2 TAXES ON LEASED PREMISES: If the local taxing authority bills Lessor for the taxes on the Leased Premises, Lessor shall pass the responsibility for this expense to Lessee and Lessee shall promptly pay this bill.		✓					
6.4 PAYMENTS IN EVENT OF DELINQUENCY: If the Lessee fails to pay taxes or other charges specified in section 6.1 above, Lessor may increase the Ground Lease Fee in an amount that will offset the cost of any delinquent and current taxes or other charges relating to the Improvements and Leased Premises. Upon collecting any such amount, Lessor shall pay the amount collected to the taxing authority in a timely manner.	✓		✓			✓	
6.5 PROOF OF COMPLIANCE: Concurrently with the payment of any taxes, assessments, and charges required by the provisions of this Lease, each party shall furnish evidence satisfactory to the other documenting the payment. A photocopy of a receipt for such charges showing payment shall be the usual method of furnishing such evidence.		✓	✓				
7.3 CONSTRUCTION AND ALTERATION: For any post-purchase construction requiring issuance of a building permit: all costs shall be borne and paid for by the Lessee; all construction shall be performed in a workerlike manner and shall comply with all applicable laws and regulations; and all construction shall be consistent with the permitted uses set forth in the ground lease.					✓		
7.3 CONSTRUCTION AND ALTERATION: For any post-purchase construction on the Leased Premises requiring issuance of a building permit, Lessee shall furnish to Lessor a copy of any plans and all building permits for such construction prior to commencing construction and such construction shall not commence without the prior written consent of Lessor.				✓			
7.4 PROHIBITION OF LIENS: No lien of any type shall attach to the Lessor's title to the Land or to Lessor's interest in the Leased Premises or to any other property owned by the Lessor. Lessee shall not permit any statutory or similar lien to be filed against the Premises, the Improvements, or any interest of Lessor or Lessee that remains more than sixty days after it has been filed.					✓		

	Calculate Prices	Notify Lessee	Record \$\$ or Notices	Review & Approve	Monitor	Manage/ Intervene	Arbitrate
7.4 PROHIBITION OF LIENS: If Lessee fails to cause such lien to be discharged within the 60-day period, Lessor may discharge the lien by paying the amount in question. . . . Any amounts paid by Lessor to discharge such liens shall be deemed to be an additional Ground Lease Fee payable by Lessee upon demand.			✓			✓	
7.5 MAINTENANCE AND SERVICES: Lessee shall, at Lessee's sole expense, maintain the Leased Premises and all Improvements.					✓		
8.1 PERMITTED MORTGAGE: Lessee may mortgage the Leased Premises only with the written consent of Lessor.				✓			
9.4 INSURANCE: Lessee shall keep all Improvements continuously insured against loss or damage for the full replacement value of such Improvements. Lessee shall provide Lessor with copies of all policies and renewals. All policies shall contain endorsements providing that they shall not be cancelled, reduced, or modified without thirty days' prior written notice to Lessor.			✓		✓		
9.4 INSURANCE: Lessor shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance.						✓	
9.5 DAMAGE OR DESTRUCTION: Lessor may seek an adjustment from the insurer so as to increase the available insurance proceeds to an amount covering at least 80 percent of the cost of repair and restoration.		✓				✓	
9.7 REASSESSMENT OF RENTAL VALUE: If any taking reduces the size of the Leased Premises but does not result in the termination of the Lease, the Lessor shall reassess the fair rental value of the remaining Premises and shall adjust the Ground Lease Fee.	✓						
10.2 TRANSFERS TO INCOME-QUALIFIED PERSONS: Lessee may transfer its interest in the Leased Premises or the Improvements only to Lessor or an Income-qualified Person.				✓	✓		
10.3 TRANSFER TO LESSEE'S HEIRS: Upon receipt of a written request from Lessee or upon notice from the executor of the decedent's estate, Lessor shall consent to a transfer of the Improvements and an assumption of this Lease by one or more of the possible heirs of Lessee.				✓			
10.5 APPRAISAL: No later than ten days after Lessor's receipt of Lessee's Intent-To-Sell Notice, Lessor shall commission and pay the cost of a market valuation of the Leased Premises and the Improvements to be performed by a mutually acceptable and duly licensed appraiser.	✓						
10.6 LESSOR'S PURCHASE OPTION. Upon receipt of Intent to Sell Notice from Lessee, Lessor shall have the option to purchase the Improvements ("the Purchase Option") at the Purchase Option Price.	✓					✓	
10.6 LESSOR'S PURCHASE OPTION. If Lessor elects to purchase the Improvements, Lessor shall exercise the Purchase Option by notifying Lessee, in writing, of such election ("the Notice of Exercise of Option") within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire.			✓				

	Calculate Prices	Notify Lessee	Record \$\$ or Notices	Review & Approve	Monitor	Manage/ Intervene	Arbitrate
10.6 LESSOR'S PURCHASE OPTION. The purchase by Lessor or Lessor's assignee must be completed within sixty days of Lessor's Notice of Exercise of Option, or Lessee may sell the Improvements.						✓	
10.8 LESSOR'S POWER OF ATTORNEY TO CONDUCT SALE: If Lessor does not exercise its option and purchase of the Improvements, and Lessee (a) is not then residing in the Improvements and (b) continues to hold the Improvements out for sale but is unable to locate a buyer within one (1) year of the Intent to Sell Notice, Lessee hereby appoints Lessor its attorney in fact to seek a buyer, negotiate a price, sell the property, and distribute proceeds.						✓	
10.10 CALCULATION OF THE FORMULA PRICE: The Formula Price shall be calculated in accordance with the formula in the lease.	✓						
10.11 QUALIFIED PURCHASER'S CHOICE OF NEW LEASE OR ASSIGNMENT OF EXISTING LEASE: An Income-qualified Person who purchases the Improvements in accordance with the provisions of this Article 10 shall have the option of receiving either an assignment of this Lease from the seller, with the approval of Lessor, or a new Lease from Lessor.				✓			
ARTICLE 11: ASSIGNMENT AND SUBLEASE: Lessee shall not assign, sublease, sell, or otherwise convey any of Lessee's rights under this Lease without the prior written consent of the Lessor.				✓			
12.1 MONETARY DEFAULT BY LESSEE: It shall be an event of default if Lessee fails to pay the Ground Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Lessee or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by Lessor to Lessee and Permitted Mortgagee.		✓					
12.2 NONMONETARY DEFAULT BY LESSEE: It shall be an event of default if Lessee fails to abide by any other material term or condition in this Lease, and such failure is not cured by Lessee or a Permitted Mortgagee within sixty days after notice of such failure is given by Lessor to Lessee and Mortgagee.		✓					
12.4 TERMINATION: In the case of any of the events of default described above, Lessor may terminate this Lease and initiate summary proceedings against Lessee. Lessor may enter any part of the Leased Premises and repossess the entire Leased Premises, and expel Lessee and those claiming rights through Lessee and remove their effects.						✓	
13.1 ARBITRATION PROCESS: Should any grievance or dispute arise between Lessor and Lessee concerning the terms of this Lease that cannot be resolved by normal interaction, the matter shall be submitted to arbitration.							✓
13.1 ARBITRATION PROCESS: Lessor or Lessee shall give written notice to the other of its selection of a disinterested arbitrator. Within fifteen (15) days of the receipt of this written notice, the other party may give written notice to the first party appointing a disinterested arbitrator of its own choice.		✓					