

**OCCUPANCY AND RENTAL/RESALE
DEED RESTRICTION AND AGREEMENT
FOR THE AFFORDABLE HOUSING UNIT
LOCATED AT 0060 TWINING FLATS
PURSUANT TO BOCC ORDINANCE NO. 98-15**

THIS OCCUPANCY AND RENTAL/RESALE DEED RESTRICTION AND AGREEMENT (the "Agreement") is made and entered into this 17th day of September, 1998, and between Don Rayburn and Raydo, Inc. (the "Declarant"), and the ASPEN/PITKIN COUNTY HOUSING AUTHORITY (hereinafter referred to as "APCHA"), a duly constituted multi-jurisdictional Housing Authority established pursuant to the AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT by and between the City of Aspen, Colorado (the "City") and Pitkin County, Colorado (the "County"), dated September 26, 1989 and recorded in Book 605 at Page 751 of the records of the Pitkin County Clerk and Recorder's Office.

WITNESSETH:

WHEREAS, the Board of County Commissioners granted Lot Line Adjustment, GMQS Exemption for Affordable Housing, 1041 Hazard Review and Conceptual Submission Approval for the Rayburn/Raydo Subdivision, subject to conditions pursuant to Ordinance No. 98-15, recorded at Reception No. 416828, in the Pitkin County Clerk and Recorders' Office a copy of which is attached as Exhibit "C" and incorporated by reference herein.

WHEREAS, Declarant has submitted to the BOCC for approval and recorded the final Plat of the Rayburn/Raydo Subdivision, in Book 46, Pages 14-16, for a tract of land described in Exhibit "A".

WHEREAS, there is to be one (1) deed restricted single-family residence (hereinafter "Unit").

WHEREAS, pursuant to the BOCC Ordinance No. 98-15, the Declarant desires to impose certain covenants upon the Unit, more specifically described in Exhibit "A", which will restrict the use and occupancy of the Unit to qualified buyers or tenants, as defined in the Aspen/Pitkin County Housing Guidelines (the "Guidelines") and as they are amended from time to time. In addition, the Declarant desires to impose certain covenants upon the Unit which shall set forth the maximum monthly rental price, maximum resale price, amount of appreciation, and terms and provisions for the rental or sale of the Unit. In order to accomplish the foregoing objectives, the Declarant desires to enter into this Agreement with APCHA upon the terms set forth herein.

WHEREAS, the parties hereby acknowledge that the Declarant will not occupy or utilize the Unit as his residence; instead, Declarant has acquired the Unit for purposes of: 1) leasing the Unit to Pitkin County employees who fall within the APCHA's Category 4 Guidelines, as the same are published from time to time; or 2) selling the Unit under the terms of this agreement to qualified employees (Qualified Buyers) who fall within the APCHA's Category 4 Guidelines, as the same are published from time to time.

NOW, THEREFORE, it is agreed by the parties hereto a follows:


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LEASE BY DECLARANT OR SALE/REALE TO NON-QUALIFIED OWNER

A. Occupancy and Rental Restrictions:

Declarant may retain ownership of the Unit. The Declarant or Owner is required to have all tenants qualify as to employment, income and assets through APCHA and provide to APCHA a copy of the tenant's lease. Each tenant shall requalify once every two years through the APCHA. No lease agreement executed for occupancy of the Unit shall provide for a primary term of less than six (6) consecutive months. The rent for this unit cannot exceed the Maximum Monthly Rent for a Category 4, single-family residence, as stated in the Guidelines. Currently, this maximum monthly rent is \$1,815.00

INITIAL SALES/REALE TO QUALIFIED BUYER

B. Initial Sale:

1. In the event that the Declarant or Non-Qualified Buyer, under A above, shall desire to sell the Unit to a Qualified Buyer, they may sell the Unit to the Qualified Buyer of their own selection.
2. Presently, the initial sale price for the unit sold to a qualified buyer cannot exceed \$222,800 for the Category 4 single-family residence, as specified in the 1997 Aspen/Pitkin County Housing Guidelines, Table III. The maximum initial sales price will be based on the Maximum Sales Price for a detached single-family Category 4 residence as stated in the Guidelines effective at the time the unit is sold.

C. Resale and Occupancy Guidelines Applicable to Qualified Buyer:

1. In the event that an Owner desires to sell the Unit, the Owner shall execute a standard Listing Contract on forms approved by the Colorado Real Estate Commission with the APCHA providing for a 180-day listing period, or such other time period as required by the APCHA Affordable Housing Guidelines in effect at time of listing. At this time, the Owner shall deposit with APCHA an amount equal to one percent (1%) of the estimated value of the Unit. The APCHA shall promptly advertise the Property or Unit for sale by competitive bid to Qualified Buyers. At the time of closing, the Owner shall pay to APCHA an additional one percent (1%), for a maximum fee of two percent (2%). If FNMA type financing is used, there may be a fee charged by the APCHA based on the amount financed. The amount of this fee to be paid by the subsequent Owner shall be as set forth in the current Affordable Housing Guidelines and will be distributed to the APCHA Mortgage Fund Account.
2. **Maximum Resale Price:** In no event shall the Unit be sold for an amount ("Maximum Resale Price") in excess of the lesser of:
 - a. The Owner's purchase price, plus an increase of three percent (3%) of such price per year from the date of purchase to the date of Owner's notice of intent to sell (prorated at the rate of .25 percent for each whole month for any part of a year); OR



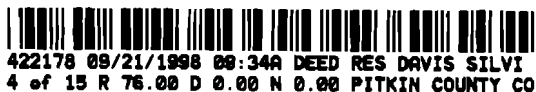
- b. an amount (based upon the Consumer Price Index, All Items, U.S. City Average, Urban Wage Earners and Clerical Workers (Revised), published by the U.S. Department of Labor, Bureau of Labor Statistics) calculated as follows: the Owner's purchase price divided by the Consumer Price Index published at the time of Owner's purchase stated on Settlement Sheet, multiplied by the Consumer Price Index current at the date of intent to sell. In no event shall the multiplier be less than one (1). For purposes of this Agreement, "date of intent to sell" shall be the date of execution of a listing contract when required by this agreement, or if a listing contract is not otherwise necessary, the date shall be determined to be the date upon which a requirement for the Owner to sell is first applicable.
- c. For the purpose of determining the Maximum Resale Price in accordance with this Section, the Owner may add to the amount specified in Paragraph C.2., above, the cost of Permitted Capital Improvements (as defined in Exhibit "B") in a total amount not to exceed ten percent (10%) of the initial purchase price set forth in paragraph C.2 above. In calculating such amount, only those Permitted Capital Improvements identified in Exhibit "B" hereto shall qualify for inclusion. All such Permitted Capital Improvements installed or constructed over the life of the unit shall qualify. However, the allowance permitted by this subsection is a fixed amount, which shall be calculated on a cumulative basis applicable to the owner and all subsequent purchasers, and shall not exceed the maximum dollar amount set forth in this subsection c.
- d. Permitted Capital Improvements shall not include any changes or additions to the Property made by the Owner during construction or thereafter, except in accordance with Paragraph C.2.c above. Permitted Capital Improvements shall not be included in the APCHA's listed purchase price, even if made or installed during original construction.
- e. In order to qualify as Permitted Capital Improvements, the Owner must furnish to the APCHA the following information with respect to the improvements which the Owner seeks to include in the calculation of Maximum Resale Price:
 - 1) Original or duplicate receipts to verify the actual costs expended by the Owner for the Permitted Capital Improvements;
 - 2) Owner's affidavit verifying that the receipts are valid and correct receipts tendered at the time of purchase; and
 - 3) True and correct copies of any building permit or certificate of occupancy required to be issued by the Aspen/Pitkin County Building Department with respect to the Permitted Capital Improvements.
- f. For the purpose of determining the Maximum Resale Price in accordance with this Section, the Owner may also add to the amount specified in Paragraphs C.2., a through d, the cost of any permanent improvements constructed or installed as a result of any requirement imposed by any governmental agency, provided that written certification is provided to the APCHA of both the applicable requirement and the information required by Paragraph C.2.e, 1) - 3).

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- g. In calculating the costs under Paragraphs C.2.e, 1) - 3), only the Owner's actual out-of-pocket costs and expenses shall be eligible for inclusion. Such amount shall not include an amount attributable to Owner's "sweat equity" or to any appreciation in the value of the improvements.

NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTEE BY THE APCHA OR THE CITY THAT ON RESALE THE OWNER SHALL OBTAIN THE MAXIMUM RESALE PRICE.

3. All disputes between the Owner and the administrative staff of the APCHA shall be heard in accordance with the grievance procedures set forth in the Affordable Housing Guidelines.
4. Owner shall not permit any prospective buyer to assume any or all of the Owner's customary closing costs nor accept any other consideration which would cause an increase in the purchase price above the bid price so as to induce the Owner to sell to such prospective buyer.
5. In the event that one qualified bid is received equal to the Maximum Resale Price herein established, the Property shall be sold to such bidder at the Maximum Resale Price; and in the event Owner receives two or more such bids equal to the Maximum Resale Price, the Qualified Buyer shall be selected according to the priority for Sale Unit set forth in the Affordable Housing Guidelines; and, in the event that all such qualified bidders are of equal priority pursuant to the Affordable Housing Guidelines, the Qualified Buyer shall be selected by lottery among the qualified bidders, whereupon the Property or Unit shall be sold to the winner of such lottery at the Maximum Resale Price. If the terms of the proposed purchase contract, other than price, as initially presented to the owner, are unacceptable to the Owner, there shall be a mandatory negotiation period of three (3) business days to allow the Seller and potential buyer to reach an agreement regarding said terms, including but not limited to, the closing date and financing contingencies. If, after the negotiation period is over, the Seller and buyer have not reached an agreement, the next bidder's offer will then be presented to the Seller for consideration and a three (3) business day negotiating period will begin again. The seller may reject any and all bids, however, the Owner is subject to the provisions in the Affordable Housing Guidelines pertaining to the listing fee. Bids in excess of the Maximum Resale Price shall be rejected. If all bids are below Maximum Resale Price, Owner may accept the highest qualified bid. If all bids are below Maximum Resale Price and two or more bids are for the same price, the Qualified Buyer shall be selected by lottery from among the highest qualified bidders.
6. Except as provided in paragraph A above, in the event that title to the Unit vests by descent in individuals and/or entities who are not Qualified Buyers as that term is defined herein (hereinafter "Non-Qualified Transferee(s)"), the Property or Unit shall immediately be listed for sale as provided in Paragraph C above (including the payment of the specified fee to the APCHA), and the highest bid by a Qualified Buyer, for not less than ninety-five percent (95%) of the Maximum Resale Price or the appraised market value, whichever is less, shall be accepted; if all bids are below ninety-five percent (95%) of the Maximum Resale Price or the appraised market value, the Property or Unit shall continue to be listed for sale until a bid in accordance with this section is made, which bid must be accepted. The cost of the appraisal shall be paid by the Non-Qualified Transferee(s).



- a. Non-Qualified Transferee(s) shall join in any sale, conveyance or transfer of the Unit to a Qualified Buyer and shall execute any and all documents necessary to do so; and
 - b. Non-Qualified Transferee(s) agree not to: 1) occupy the said Unit; 2) rent all or any part of the Unit, except in strict compliance with Paragraph C.10 hereof; 3) engage in any other business activity on or in the Unit; 4) sell or otherwise transfer the Unit except in accordance with this Agreement and the Affordable Housing Guidelines; or 5) sell or otherwise transfer the Unit for use in a trade or business.
 - c. The APCHA, the City, the County, or their respective successors, as applicable, shall have the right and option to purchase the Unit, exercisable within a period of fifteen (15) calendar days after receipt of any sales offer submitted to the APCHA by a Non-Qualified Transferee(s), and in the event of exercising their right and option, shall purchase the Unit from the Non-Qualified Transferee(s) for a price of ninety-five percent (95%) of the Maximum Resale Price, or the appraised market value, whichever is less. The offer to purchase shall be made by the Non-Qualified Transferee within fifteen (15) days of acquisition of the Property or Unit.
 - d. Where the provisions of this Paragraph 6 apply, the APCHA may require the Owner to rent the Unit in accordance with the provisions of C.10, below.
7. The Unit shall be and are to be utilized only as the sole and exclusive place of residence of an Owner.
 8. In the event Owner changes domicile or ceases to utilize the Unit as his sole and exclusive place of residence, the Unit will be offered for sale pursuant to the provisions of Paragraph C of this Agreement. Owner shall be deemed to have changed Owner's domicile by becoming a resident elsewhere or accepting permanent employment outside Pitkin County, or residing in the Unit for fewer than nine (9) months per calendar year without the express written approval of the APCHA. Where the provisions of this Paragraph C.8 apply, the APCHA may require the Owner to rent the Unit in accordance with the provisions of Paragraph C.10, below.
 9. If at any time the Owner of the Unit also owns any interest alone or in conjunction with others in any developed residential property or dwelling unit(s) located in Eagle, Garfield, Gunnison or Pitkin Counties, Owner agrees to immediately list said other property or unit for sale and to sell Owner's interest in such property at a sales price comparable to like unit or properties in the area in which the property or dwelling unit(s) are located. In the event said other property or unit has not been sold by Owner within one hundred twenty (120) days of its listing, then Owner hereby agrees to immediately list this Property or Unit for sale pursuant to the provisions of Paragraph C.6 of this Agreement. It is understood and agreed between the parties hereto that, in the case of an Owner whose business is the construction and sale of residential properties or the purchase and resale of such properties, the properties which constitute inventory in such an Owner's business shall not constitute "other developed residential property" or "dwelling unit(s)" as those terms are used in this Paragraph C.9.
 10. Except as provided in Paragraph A above, Own may not, except with prior written approval of the APCHA, and subject to APCHA's conditions of approval, rent the Unit for any period of time. Prior to occupancy, any tenant must be approved by the Homeowner's Association, if



applicable, and the APCHA in accordance with the income, occupancy and all other qualifications established by the APCHA in its Affordable Housing Guidelines. The APCHA shall not approve any rental if such rental is being made by Owner to utilize the Unit as an income producing asset, except as provided below, and shall not approve a lease with a rental term in excess of twelve (12) months. A signed copy of the lease must be provided to the APCHA prior to occupancy by any tenant. Any such lease approved by the APCHA shall be the greater of Owner's cost or the monthly rental amount specified in the Affordable Housing Guidelines for units which were constructed in the year in which the subject unit was deed restricted at the appropriate income category. Owner's cost as used herein includes the monthly expenses for the cost of principal and interest payments, taxes, property insurance, condominium or homeowners assessments, utilities remaining in owner's name, plus an additional twenty dollars (\$20) and a reasonable (refundable) security deposit.


The requirements of this paragraph shall not preclude the Owner from sharing occupancy of the Unit with non-owners on a rental basis provided Owner continues to meet the obligations contained in this Agreement, including Paragraph C.10.

GENERAL PROVISIONS

- D. IN NO EVENT SHALL THE OWNER CREATE AN ADDITIONAL DWELLING UNIT, AS DEFINED IN THE PITKIN COUNTY OR CITY OF ASPEN LAND USE CODES, IN OR ON THE PROPERTY.
- E. NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE THE APCHA TO PROTECT OR INDEMNIFY THE OWNER AGAINST ANY LOSSES ATTRIBUTABLE TO THE RENTAL, INCLUDING (NOT BY WAY OF LIMITATION) NON-PAYMENT OF RENT OR DAMAGE TO THE PREMISES; NOR TO REQUIRE THE APCHA TO OBTAIN A QUALIFIED TENANT FOR THE OWNER IN THE EVENT THAT NONE IS FOUND BY THE OWNER.

BREACH

- F. In the event that APCHA has reasonable cause to believe the Owner is violating the provisions of this Agreement, the APCHA, by its authorized representative, may inspect the Unit between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, after providing the Owner with no less than 24 hours' written notice.
- G. The APCHA, in the event a violation of this Agreement is discovered, shall send a notice of violation to the Owner detailing the nature of the violation and allowing the Owner fifteen (15) days to cure. Said notice shall state that the Owner may request a hearing before APCHA within fifteen (15) days to determine the merits of the allegations. If no hearing is requested and the violation is not cured within the fifteen (15) day period, the Owner shall be considered in violation of this Agreement. If a hearing is held before the APCHA, the decision of the APCHA based on the record of such hearing shall be final for the purpose of determining if a violation has occurred.


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REMEDIES

- H. There is hereby reserved to the parties hereto any and all remedies provided by law for breach of this Agreement or any of its terms. In the event the parties resort to litigation with respect to any or all provisions of this Agreement, the prevailing party shall be entitled to recover damages and costs, including reasonable attorneys' fees.
- I. In the event the Unit is sold and/or conveyed without compliance herewith, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each and every conveyance of the Unit, for all purposes, shall be deemed to include and incorporate by this reference, the covenants herein contained, even without reference therein to this Agreement.
- J. In the event that the Owner fails to cure any breach, the APCHA may resort to any and all available legal action, including, but not limited to, specific performance of this Agreement or a mandatory injunction requiring sale of the Unit by Owner as specified herein. The costs of such sale shall be taxed against the proceeds of the sale with the balance being paid to the Owner.
- K. In the event of a breach of any of the terms or conditions contained herein by the Owner, his heirs, successors or assigns, the APCHA's initial listed purchase price of the Unit as set forth in Paragraph B of this Agreement shall, upon the date of such breach as determined by APCHA, automatically cease to increase as set out in Paragraph C of this Agreement, and shall remain fixed until the date of cure of said breach.

FORECLOSURE

- L. If FNMA-type financing is used to purchase the Unit, as determined by the APCHA, the APCHA and the Board may, pursuant to that certain Option to Buy executed and recorded of even date herewith, the terms of which are incorporated in this Agreement by this reference as if fully set forth herein, agree to release and waive their ability to enforce the resale deed restrictions contained herein, in the event of foreclosure, provided that said Option to Buy grants to the APCHA and the Board, as the designee of the APCHA, the option to acquire the Property or Unit within thirty (30) days after the issuance of a public trustee's deed to the holder (including assigns of the holder) of the promissory note secured by a first deed of trust for an option price not to exceed the redemption price on the last day of all statutory redemption period(s) and any additional reasonable costs incurred by the holder during the option period which are directly related to the foreclosure.

In the event that APCHA or the Board, as the designee of the APCHA, exercise the option pursuant to the terms of that certain Option to Buy, described above, the APCHA and/or its designee, may sell the Unit to Qualified Buyers as that term is defined herein, or rent the Unit to qualified tenants who meet the income, occupancy and all other qualifications, established by the APCHA in its Affordable Housing Guidelines until sale to a Qualified Buyer is effected.
- M. Notices. Any notice, consent or approval which is required to be given hereunder shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to any address provided herein or to any subsequent mailing address of the party as long as prior written notice of the change of address has been given to the other parties to this Agreement.


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Said notices, consents and approvals shall be sent to the parties hereto at the following addresses unless otherwise notified in writing:

To Declarant: Don Rayburn and Raydo, Inc.
Aspen, Colorado 81611

To APCA: Executive Director
Aspen/Pitkin County Housing Authority
530 East Main, Lower Level
Aspen, Colorado 81611

To Owner: To be determined by a later recorded memorandum encumbering each individual unit

- N. Exhibits. All exhibits attached hereto (Exhibits "A", "B" and "C") are incorporated herein and by this reference made a part hereof.
- O. Severability. Whenever possible, each provision of this Agreement and any other related document shall be interpreted in such a manner as to be valid under applicable law; but if any provision of any of the foregoing shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of such document.
- P. Choice of Law. This Agreement and each and every related document is to be governed and construed in accordance with the laws of the State of Colorado.
- Q. Successors. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties.
- R. Section Headings. Paragraph or section headings within this Agreement are inserted solely for convenience of reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.
- S. Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Agreement shall be valid against any party hereto except on the basis of a written instrument executed by the parties to this Agreement. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.
- T. Gender and Number. Whenever the context so requires herein, the neuter gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.
- U. Personal Liability. Owner agrees that he or she shall be personally liable for any of the transactions contemplated herein.
- V. Further Actions. The parties to this Agreement agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Agreement or any agreement or document relating hereto or entered into in connection herewith.
- W. Modifications. The parties to this Agreement agree that any modifications of this Agreement shall be effective only when made by writings signed by both parties and recorded with the Clerk and



Recorder of Pitkin County, Colorado. Notwithstanding the foregoing, the APCA reserves the right to amend this Agreement unilaterally where deemed necessary to effectuate the purpose and intent of this Agreement, and where such unilateral action does not materially impair the Owner's rights under this Agreement.

- X. Owner and Successors. The term "Owner" shall mean the person or persons who shall acquire an ownership interest in the Property or Unit in compliance with the terms and provisions of this Agreement; it being understood that such person or persons shall be deemed an "Owner" hereunder only during the period of his, her or their ownership interest in the Unit and shall be obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during such period.
- Y. Qualified Buyer/Tenant: The term Qualified Buyer/Tenant is a person(s) meeting the income and asset limitation who meet the profile requirements (part of which requirements include being a qualified employee, a senior, a disable person, or dependent(s) of any of these such terms as defined in the Guidelines) established by the APCA from time to time and in effect at any time.

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the day and year above first written.

DECLARANT:

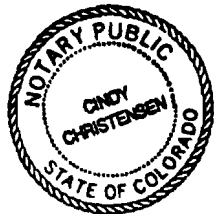
Donald H. Rayburn

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 17th day of Sept., 1998,
by Donald H. Rayburn.

Witness my hand and official seal.

My commission expires: 7, 22, 00



Cindy Christensen
Notary Public

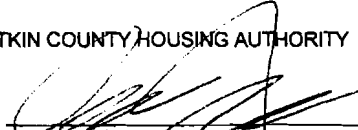
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ACCEPTANCE BY THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY

The foregoing **OCCUPANCY AND RENTAL/RESALE DEED RESTRICTION AND AGREEMENT FOR THE AFFORDABLE HOUSING UNIT LOCATED AT 0060 TWINING FLATS PURSUANT TO BOCC ORDINANCE NO. 98-15** and its terms are hereby adopted and declared by the Aspen/Pitkin County Housing Authority.

THE ASPEN/PITKIN COUNTY HOUSING AUTHORITY

By:


David Tolen, Executive Director

STATE OF COLORADO)
) ss.
COUNTY OF PITKIN)

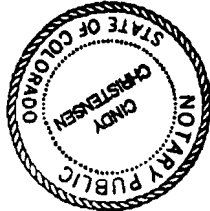
The foregoing instrument was acknowledged before me this 17th day of September, 1998, by David Tolen.

Witness my hand and official seal.

My commission expires: 7/22/00


Notary Public

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EXHIBIT "A"

Legal Description

According to the Final Plat of the Rayburn/Raydo Subdivision recorded in Book 46, Pages 14-16, for a tract of land described as Lot 3 and further described as part of the legal description stated below:

A tract of land situated in Lot 13, Section 16, Township 9 South, Range 85 West of the Sixth Principal Meridian, described as follows:

Beginning at a point on the easterly line of State Highway No. 82 whence the Northwest Corner of said Section 16 bears N. 33°41' W. 3685.55 feet; thence S. 14°21' E. 230.00 feet along the easterly line of said State Highway No. 82; thence N. 75°39' E. 512.89 feet; thence N. 23°48' W. 233.17 feet; thence S. 75°39' W. 474.61 feet to the point of beginning. County of Pitkin, State of Colorado.


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EXHIBIT "B"

Permitted Capital Improvements

1. The term "Permitted Capital Improvement" as used in the Agreement shall only include the following:
 - a. Improvements or fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
 - b. Improvements for energy and water conservation;
 - c. Improvements for the benefit of seniors and/or handicapped persons;
 - d. Improvements for health and safety protection devices;
 - e. Improvements to add and/or finish permanent/finished storage space; and/or
 - f. Improvements to finish unfinished space.

2. Permitted Capital Improvements as used in this Agreement shall **NOT** include the following:
 - a. Landscaping;
 - b. Upgrades/replacements of appliances, plumbing and mechanical fixtures, carpets and other similar items included as part of the original construction of the unit;
 - c. The cost of adding decks and balconies, and any extension thereto;
 - d. Jacuzzis, saunas, steam showers and other similar items;
 - e. Improvements required to repair, replace and maintain existing fixtures, appliances, plumbing and mechanical fixtures, painting, carpeting and other similar items; and/or
 - f. Upgrades or addition of decorative items, including lights, window coverings and other similar items.

3. All Permitted Capital Improvement items and costs shall be approved by the APCHA staff prior to being added to the Maximum Resale Price as defined herein.



EXHIBIT "C"

ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PITKIN COUNTY, COLORADO, GRANTING A REZONING FROM AFR-10 TO AH FOR THE RAYBURN PROPERTY

Ordinance No. 98-15

Recitals

1. Don Rayburn and Raydo, Inc. (hereafter "Applicant") has applied to the Pitkin County Board of County Commissioners (hereafter "Board") for a rezoning approval to create a deed-restricted lot for employee housing.
2. The property is described on Exhibit "A" attached and consists of approximately 2.60 acres.
3. The proposed zone change is from AFR-10 (Agriculture, Forestry and Residential, 10 acre lot size) to AH (Affordable Housing, lot size by Special Review).
4. The Planning and Zoning Commission heard this rezoning application at their regularly scheduled public meeting on September 6, 1996, at which time they recommended approval of the requested zoning change.
5. The Board heard the rezoning request at their regularly scheduled and duly noticed public hearing on April 8, 1998, at which time evidence and testimony were presented with respect to this application.
6. The Board finds that this rezoning application allows the owner to provide affordable housing mitigation for the impacts of his subdivision, provides for affordable housing opportunities in close proximity to the Aspen area, and that the Aspen Area Community Plan and the Aspen/Pitkin County Affordable Housing Guidelines promote the housing opportunities created by this type of application which seeks to deed restrict an existing dwelling for affordable housing.

NOW THEREFORE BE IT ORDAINED by the Pitkin County Board of County Commissioners that it hereby rezones the proposed 2.6 acre Rayburn/Raydo, Inc. lot from AFR-10 to AH, as described in Exhibit A attached, subject to the rezoning being effective upon the approval and recordation of the Final Plat for the Rayburn/Raydo, Inc. (Two Moon) Subdivision.

INTRODUCED AND FIRST READ at a regular meeting and public hearing on the 8th day of April, 1998.

NOTICE OF PUBLIC HEARING PUBLISHED IN THE ASPEN TIMES on the 28th day of March, 1998.

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APPROVED AND ADOPTED AFTER SECOND READING on the 22nd day of APRIL, 1998.

PUBLISHED AFTER ADOPTION IN THE ASPEN TIMES on the 23rd day of May, 1998.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF PITKIN COUNTY, COLORADO

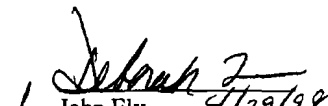

Lynette Jones *Lynette L. Jones*
Deputy Clerk and Recorder

By: 
Dorothea Farris, Chairman

DATE: 4-29-98


APPROVED AS TO FORM


RECOMMENDED FOR ADOPTION


John Ely *John Ely 4/29/98*
County Attorney


Cindy Houben *C. Houben 3.31.98*
Community Development Director

lance/raybord.doc


422178 09/21/1998 08:34R DEED RES DAVIS SILVI
14 of 15 R 76.00 D 0.00 N 0.00 PITKIN COUNTY CO


418828 05/13/1998 04:03P ORDINANC DAVIS SILVI
2 of 3 R 0.00 D 0.00 N 0.00 PITKIN COUNTY CO

422178 09/21/1998 09:34A DEED RES DAVIS SILVI
15 of 15 R 76.00 D 0.00 N 0.00 PITKIN COUNTY CO

LEGAL DESCRIPTION

A TRACT OF LAND SITUATED IN LOT 13, SECTION 16, TOWNSHIP 9 SOUTH, RANGE 85 WEST OF THE SIXTH PRINCIPAL MERIDIAN, PITKIN COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY LINE OF STATE HIGHWAY NO. 82 BEING ALSO THE POINT OF BEGINNING OF A TRACT OF LAND DESCRIBED IN BOOK 770 AT PAGE 270 WHENCE THE NORTHWEST CORNER OF SAID SECTION 16 BEARS NORTH 33°41' WEST 3605.55 FEET;

THENCE SOUTH 14°20'58" EAST 230.02 FEET ALONG THE BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 770 AT PAGE 270 ALONG SAID EASTERLY LINE OF STATE HIGHWAY NO. 82;

THENCE NORTH 75°39'00" EAST 320.25 FEET ALONG SAID BOUNDARY DESCRIBED IN BOOK 770 AT PAGE 270 TO A WITNESS CORNER BEING A RED PLASTIC CAP SET BY LS 9010;

THENCE NORTH 75°36'30" EAST 192.43 FEET ALONG SAID BOUNDARY DESCRIBED IN BOOK 770 AT PAGE 270 TO AN ILLEGIBLE RED PLASTIC CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID BOUNDARY;

THENCE NORTH 23°48'00" WEST 233.05 FEET ALONG SAID BOUNDARY DESCRIBED IN BOOK 770 AT PAGE 270;

THENCE SOUTH 75°39'00" WEST 135.93 FEET ALONG SAID BOUNDARY DESCRIBED IN BOOK 770 AT PAGE 270 TO A WITNESS CORNER A RED PLASTIC CAP SET BY LS 9010;

THENCE SOUTH 75°39'00" WEST 330.49 FEET ALONG SAID BOUNDARY DESCRIBED IN BOOK 770 AT PAGE 270 TO SAID EASTERLY LINE OF STATE HIGHWAY NO. 82, THE POINT OF BEGINNING;

CONTAINING 2.607 ACRES, MORE OR LESS.

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