

NOTICE OF RESIDENTIAL OCCUPANCY RESTRICTION

Property Address: _____

Pursuant to section 510(e) of the Housing Act of 1949, as amended, 42 U.S.C. §1480(c), the purchaser ('Grantee' herein) of the above-described real property (the 'subject property' herein) covenants and agrees with the United States acting by and through the Rural Housing Service of the Rural Development mission area of the United States Department of Agriculture, or its successor Agency (the 'Grantor' herein) that the dwelling unit(s) located on the subject property as of the date of this Quitclaim Deed will not be occupied or used for residential purposes until the item(s) listed at the end of this paragraph have been accomplished. This covenant shall be binding on Grantee and Grantee's heirs, assigns and successors and will be construed as both a covenant running with the subject property and as equitable servitude. This covenant will be enforceable by the United States in any court of competent jurisdiction. When the property complies with the following standards of the Grantor or the unit(s) has been completely razed, upon application to the Grantor in accordance with its regulations, the subject property may be released from the effect of this covenant and this covenant will thereafter be of no further force or effect. The property must be repaired and/or renovated as follows:

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This property contains a dwelling unit or units which the Rural Housing Service of the Rural Development mission area of the United States Department of Agriculture, or its successor Agency has deemed to be inadequate for residential occupancy. The Quitclaim Deed by which the property will be conveyed will contain a covenant restricting the residential unit(s) on the property from being used for residential occupancy until the dwelling unit is repaired, renovated, or razed. This restriction is imposed pursuant to section 510(e) of the Housing Act of 1949, as amended, 42 U.S.C., 1480. The property must be repaired and/or renovated as follows: