RP-2025-460427
11/20/2025 ER $61.00

INTERIM DECLARATION OF COVENANTS AND RESTRICTIONS

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

WHEREAS, the Harris County Housing Finance Corporation, a Texas public nonprofit housing finance corporation (the "Subrecipient"), has received Community Development Block Grant program funds ("CDBG Funds") from the United States Department of Housing and Urban Development ("HUD") pursuant to a Subrecipient Agreement between Harris County (the "County") and the Subrecipient (the "Agreement"); and

WHEREAS, Subrecipient has made a subaward of a portion of the CDBG Funds to HCHFC Eastex Freeway Landowner, LLC, a Texas limited liability company, whose sole member is Subrecipient (the "Fee Owner"), to facilitate the acquisition of that certain real property known as 0 Eastex Freeway, Houston, Texas 77039, described in **Exhibit A,** attached hereto and incorporated herein for all purposes (the "Property"), which will be developed as a multifamily development at which all residential units shall be income and rent restricted units in accordance with the Agreement (the "Project");

WHEREAS, the County has required the Subrecipient and Fee Owner to formally encumber the Property by filing this Interim Declaration of Covenants and Restrictions (this "Declaration"), made effective as of November 19, 2025 (the "Effective Date"), of record in the Official Public Records of Real Property of Harris County, Texas, and to expressly agree that (a) at least 51% of the residential units within the Project shall be set aside for the benefit of income-eligible families of Harris County earning not more than 80% of the median income for the area, as required by the Agreement (the "Affordable Units"), and (b) the rent to be charged for such Affordable Units shall be subject to the rent limitations as set forth in the Agreement;

NOW, THEREFORE, in consideration of the CDBG Funds provided by the County to the Subrecipient to facilitate Fee Owner's acquisition of the Property and future development of the Project as described in the preceding paragraphs, and other good and valuable consideration, the receipt of which is hereby acknowledged, Subrecipient and Fee Owner, for the benefit of the County and the future renters of the Affordable Units, hereby adopt, impose, and impress the Property with the covenants, agreements, conditions, and restrictions set forth herein:

1. Subrecipient agrees to procure a third-party developer (the "Developer") in compliance with all terms and conditions requested by the Director (the "Director") of Harris County Housing and Community Development ("HCHCD") and in compliance with the Agreement and all federal requirements applicable to the CDBG Funds (including, without limitation, any applicable requirements of 2 CFR Part 200). Subrecipient must perform an updated underwriting review to determine the required number of Affordable Units (hereinafter defined) and the applicable AMFI (hereinafter defined) categories, as well as an eligibility analysis for any additional funding sources anticipated or necessary for the Project. Subrecipient

and Fee Owner agree such updated underwriting must be complete prior to the Fee Owner and Developer entering into the anticipated Ground Lease (hereinafter defined). Subrecipient and Fee Owner agree to enter into deed restrictions in the form and substance requested by County, in its sole discretion, to be recorded in the Official Public Records of Real Property of Harris County, reflecting such updated underwriting and required number of Affordable Units encumbering the Property for the benefit of the County as of the date of the Ground Lease.

2. At least 51% of the residential units at the Project must be reserved as floating Affordable Units, all of which must be occupied by income-eligible individuals or families earning eighty percent (80%) or less of the Area Median Family Income for Harris County, Texas ("AMFI"), adjusted for family size, as determined by the United States Department of Housing and Urban Development ("HUD"), such individuals and households hereinafter referred to as "Eligible Households," for a continuous period commencing on the Effective Date and continuing until the earlier of (i) the date that is twenty (20) years from the Effective Date or (ii) the effective date of the ground lease to be entered into by Fee Owner and Developer (the "Ground Lease") in accordance with the Agreement (the "Affordability Period"), at which time this Declaration shall expire and automatically terminate without further notice to or action on the part of any party. Subrecipient and Landowner agree to enter, and cause Developer to enter, into a Regulatory Agreement and Declaration of Covenants and Restrictions on or before the expiration of the Affordability Period in accordance with the Agreement.

3. The rent charged and to be charged for the Affordable Units must be affordable rent and shall be subject to the limitations on the amount of rent that may be charged for each of the corresponding categories for AMFI established by the Texas Department of Housing and Community Affairs, as same may be amended from time to time, or such other rental rate schedule approved by HCHCD, and utilizing the "Allowances for Tenant-Furnished Utilities and Other Services" approved annually by HCHCD.

4. During the Affordability Period, the Affordable Units will continue to qualify as affordable housing despite temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to the County are being taken to ensure that all vacancies are filled in accordance with this Declaration. Tenants who no longer qualify as income eligible must pay as rent the lesser of the amount payable by the tenant under State or local law or thirty percent (30%) of the family's adjusted income, except that Affordable Units that have been allocated low-income housing tax credits by the Texas Department of Housing and Community Affairs pursuant to section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) must pay rent as governed by section 42.

5. During such time as the applicable executed lease agreement with an Eligible Household is in effect, the applicable Afforrdable Unit shall be, and must remain, the principal residence of the applicable Eligible Household. Annual information

on rents and occupancy, including demographic information, of the Affordable Units in accordance with applicable annual income limits must be provided to the County to determine compliance with this provision for the duration of the Affordability Period.

6. Prior to commencing lease-up of the Project, Subrecipient must approve a rent schedule for Affordable Units. Subrecipient must report, or require reporting, on a monthly basis on the initial lease-up of the Affordable Units. Tenant income must be recertified on an annual basis and at each lease renewal during the Affordability Period. Income documentation must be collected and tenant income recertification documentation included in the respective tenant file. Such records shall be maintained as required under the Agreement, or such other form and period as determined by Subrecipient in accordance with CDBG requirements.

7. There must be a written lease agreement with each tenant household for each Affordable Unit. The term of such lease shall not be less than one (1) year, unless by mutual agreement between the tenant and landlord in accordance with applicable federal funding source requirements. The lease must incorporate the Violence Against Women Act lease term/addendum and any other lease addendum in the form required by the County under the Agreement, or such other form acceptable to County in its discretion. No lease may contain any of the following provisions, and any such provisions must not apply nor be enforceable:

   (1) ***Agreement to be sued.*** Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the landlord in a lawsuit brought in connection with the lease;

   (2) ***Treatment of property.*** Agreement by the tenant that landlord may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. Landlord may dispose of this personal property in accordance with State law;

   (3) ***Excusing owner from responsibility.*** Agreement by the tenant not to hold the landlord or its agents legally responsible for any action or failure to act, whether intentional or negligent;

   (4) ***Waiver of notice.*** Agreement of the tenant that the landlord may institute a lawsuit without notice to the tenant;

   (5) ***Waiver of legal proceedings.*** Agreement by the tenant that the landlord may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

(6) ***Waiver of a jury trial.*** Agreement by the tenant to waive any right to a trial by jury;

(7) ***Waiver of right to appeal court decision.*** Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease;

(8) ***Tenant chargeable with cost of legal actions regardless of outcome.*** Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the landlord against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses; and

(9) ***Mandatory supportive services.*** Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

8. Eligible Households must not be charged any fees that are not customarily charged in rental housing. However, (1) reasonable application fees may be charged to prospective tenants and (2) reasonable common area laundry machine fees and reasonable parking fees may be charged to tenants, only if such fees are customary for rental housing projects in the neighborhood. Reasonable fees for services such as bus transportation or meals are permitted, as long as such services are voluntary.

9. Subrecipient covenants to market, or cause marketing of, the Project to prospective tenants pursuant to the approved affirmative marketing plan in accordance with the Agreement. Subrecipient must approve an affirmative marketing plan prior to the start of any preleasing or acceptance of any tenant applications. After approval, Subrecipient or County may reasonably require amendments to the affirmative marketing plan from time to time, and Subrecipient shall implement, or cause the implementation of, any such amendment. Subrecipient must retain records for five (5) years after Project Completion or such other period as provided by federal law, describing actions taken to affirmatively market the Project and Affordable Units. Subrecipient and the County may assess the success of the affirmative marketing actions and Subrecipient must comply, or cause compliance, with any required corrective actions. The Project must be registered with the Harris County Housing and Community Resource Center and maintain an active listing of Affordable Unit availability on the affordable housing searchable database during the Affordability Period.

10. The Project and Property must be operated in good condition and working order in accordance with the Agreement and in compliance with (1) the "Harris County Affordable Housing Standards and Minimum Property Standards for Multi-Family Housing of New Construction and Rehabilitation," as set forth in the Agreement, (2) the requirements of the Ground Lease, and (3) all applicable federal, state, and local housing quality standards and code requirements. At all times during the Affordability Period, Subrecipient and Fee Owner must maintain, or cause to be maintained, any applicable insurance coverage with not less than the type and requirements set forth in the Agreement. After completion, the Affordable Units

must be inspected annually for compliance with such property standards during the Affordability Period, and County and Subrecipient reserve the right, upon two (2) business days' prior notice (except in the event of an emergency), to inspect the Affordable Units to ensure compliance with the terms of this Declaration (subject to the rights of the tenants occupying said Affordable Units).

11. Subrecipient and Fee Owner must comply with all applicable statues and regulations prohibiting excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, religion, national origin, sex, disability, or age, including, but not limited to, Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) (31 CFR Part 22); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (24 CFR Parts 8-9); the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.); Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.); and the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) (31 CFR Part 23).

12. Subrecipient and Fee Owner must comply with all applicable laws and regulations that prohibit discrimination against individuals with disabilities, including, but not limited to, the following: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (24 CFR Parts 8-9); the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12101 et seq.); the Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.); the Uniform Federal Accessibility Standards in Title 24, U.S.C. and associated regulations (24 CFR Part 40); the Architectural Barriers Rules; and the Texas Accessibility Standards.

13. The development of the Project must comply, as applicable, with the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

14. The County is a third party beneficiary to this Declaration with the right to enforce the provisions hereof and to ensure Subrecipient's and Fee Owner's compliance herewith during the Affordability Period.

15. Violation of this Declaration that is continuing beyond thirty (30) days after the County delivers written notice thereof to the Subrecipient or Fee Owner, as applicable, shall give the County, and its successors and assigns, the right to institute any proceeding at law or equity to enjoin violations hereof and to enforce this Declaration. If an action is brought to enforce this Declaration, Subrecipient, Fee Owner, and their respective successors and assigns, agree to pay all actual costs of collection, including any court costs, expert witness fees, and reasonable attorney's fees.

16. The failure or delay to enjoin or enforce this Declaration, whether or not any violations of it are known, shall not constitute a waiver or estoppel of the right to seek equitable relief or otherwise enforce this Declaration. The relief granted herein

is cumulative to other actions, remedies, and relief available to the County its successors and assigns.

17. This Declaration shall be liberally construed to give effect to its purposes and intent so that, in case any one or more of the provisions of this Declaration shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision and this Declaration shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

18. The restrictions and covenants set forth in this Declaration shall be covenants running with the land and binding upon, as applicable, the Subrecipient and the Fee Owner, the Developer, and any subsequent purchaser, grantee, owner, or lessee of all or any part of the Property, Project, or either of them (other than a residential tenant as provided under the Agreement). This Declaration may not be amended, modified, or revoked prior to the expiration of the Affordability Period without the prior written consent of the County. This Declaration will automatically expire, if not sooner released by the Subrecipient, Fee Owner, and County by an instrument recorded in the Official Public Records of Real Property of Harris County, Texas, at the expiration of the Affordability Period. So long as this Declaration is in effect, the County has the right to enforce the provisions of this Declaration and to ensure Subrecipient's and Fee Owner's compliance herewith during the Affordability Period.

19. In the event Fee Owner sells, conveys, or otherwise transfers all or any portion of the Property during the Affordability Period, Fee Owner must repay to County the full amount of the CDBG Funds within thirty (30) days of such sale, conveyance, or other transfer.

20. This Declaration shall be governed by the laws of the State, exclusive of the State's choice and conflict of law principles, and any action or proceeding arising hereunder shall be brought in the courts of Harris County, Texas.

21. This Declaration may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

[Executed on the following page]

Subrecipient and Fee Owner have executed this Interim Declaration of Covenants and Restrictions to become effective as of the Effective Date.

FEE OWNER:

HCHFC EASTEX FREEWAY LANDOWNER, LLC,
a Texas limited liability company

HARRIS COUNTY HOUSING FINANCE CORPORATION,
a Texas public nonprofit housing finance corporation,
its sole member

By: _____
Name: Jason McLemore
Title: President

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on this November 12, 2025, 2025, by Jason McLemore, President of Harris County Housing Finance Corporation, a Texas public nonprofit housing finance corporation, the sole member of HCHFC Eastex Freeway Landowner, LLC, a Texas limited liability company, on behalf of such limited liability company.

JENNIFER JOHNSON
ID #126691560
My Commission Expires
May 05, 2029

_____
Notary Public in and for the State of Texas

AFTER RECORDING, RETURN TO:
Harris County Housing Finance Corporation
c/o Harris County Housing and Community Development
1111 Fannin Street, 9th Floor
Houston, Texas 77002

SUBRECIPIENT:

HARRIS COUNTY HOUSING FINANCE CORPORATION,
a Texas public nonprofit housing finance corporation,
its sole member

By: _____
Jason McLemore, President

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on this 12th day of November 2025, by Jason McLemore, President of Harris County Housing Finance Corporation, a Texas public nonprofit housing finance corporation, on behalf of such corporation.

JENNIFER JOHNSON
ID #126891550
My Commission Expires
May 05, 2029

_____
Notary Public in and for the State of Texas

RP-2025-460427

EXHIBIT A
LEGAL DESCRIPTION

METES AND BOUNDS DESCRIPTION
5.458 ACRES IN THE
SAMUEL KELLY SURVEY, ABSTRACT 728
HARRIS COUNTY, TEXAS

A 5.458 ACRE TRACT OF LAND SITUATED IN THE SAMUEL KELLY SURVEY, ABSTRACT 728, HARRIS COUNTY, TEXAS, BEING ALL OF THAT CERTAIN CALLED 5.4568 ACRE TRACT CONVEYED TO 1102 REALTY, LLC AND DESCRIBED IN DEED RECORDED UNDER HARRIS COUNTY CLERKS FILE NUMBER (H.C.C.F. NO.) RP-2022-133367, SAID 5.458 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, (BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, SOUTH CENTRAL ZONE, AS DETERMINED BY GPS MEASUREMENTS).

1) **BEGINNING** at a 5/8-inch capped iron rod "Cap Illegible" found in the northerly right-of-way line of Hamill Road (80' Wide) marking the southwesterly corner of Pine Village North Section Three a subdivision plat filed under Volume 277, Page 60 of the Harris County Map Records (H.C.M.R.), same being the southeasterly corner of said 5.4568 acre tract of land;

2) **THENCE,** South 87°46'24" West, along the northerly right-of-way line of Hamill Road for a distance of 585.31 feet to a 5/8-inch capped iron rod stamped "E.H.R.A. 713-784-4500" set at the intersection of the northerly right-of-way line of Hamill Road and the easterly right-of-way Interstate 69 (Width Varies) and marking the southwesterly corner of the herein described tract;

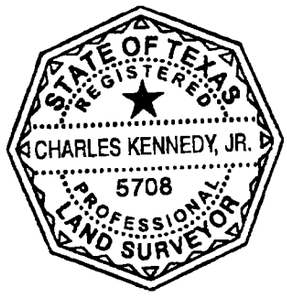
3) **THENCE,** North 09°52'18" East, along said easterly right-of-way Interstate 69 for a distance of 450.49 feet to a 5/8-inch capped iron rod stamped "E.H.R.A. 713-784-4500" set for the northwesterly corner of the herein described tract, being in the southerly line of Kenwood Place Subdivision as filed under Volume 15, Page 7 of the H.C.M.R., from which a found 5/8-inch capped iron rod stamped "Prejean "4926" bears South 78°35' West, 0.44 feet,;

4) **THENCE,** North 87°49'44" East, along the southerly line of said Kenwood Place Subdivision for a distance of 494.68 feet to a 3/4-inch iron pipe found marking the northerly common corner of said 5.4568 acre tract and said Pine Village North Section Three, same being the northerly common corner of the Samuel Kelly Survey, Abstract 728 and the W. R. Lockwood Survey, Abstract 527;

5) **THENCE,** South 01°43'59" East, along the common line between said 5.4568 acre tract and said Pine Village North Section Three for a distance of 440.02 feet to the **POINT OF BEGINNING** and containing 5.458 acres of land. This description accompanies a Land Title Survey, prepared by Edminster, Hinshaw, Russ and Associates, Inc. d/b/a EHRA and dated March 19, 2025.

EDMINSTER, HINSHAW, RUSS & ASSOCIATES, INC. d/b/a EHRA TBPLS No. 10092300

Charles Kennedy, Jr., R.P.L.S.
Texas Registration No. 5708
10011 Meadowglen Lane
Houston, Texas 77042
713-784-4500



Date: March 19, 2025
Job No: 221-086-04
File No: R:\2022\221-086-04\Docs\Description\Boundary\22108604V-PBLT01.docx

RP-2025-460427

RP-2025-460427

RP-2025-460427
Pages 11
11/20/2025 09:52 AM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees $61.00

RECORDERS MEMORANDUM
This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.

COUNTY CLERK
HARRIS COUNTY, TEXAS