

**BK: 2018 PG: 3527**  
**Recorded: 10/31/2018 at 4:01:51.0 PM**  
**Pages 5**  
**County Recording Fee: \$27.00**  
**Iowa E-Filing Fee: \$3.00**  
**Combined Fee: \$30.00**  
**Revenue Tax:**  
**LISA SMITH RECORDER**  
**Madison County, Iowa**

**Document:** ACKNOWLEDGMENT OF COVENANTS

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**Preparer Information:** R. Ronald Pogge Telephone: 515-697-4268  
2700 Grand Avenue, Suite 111, Des Moines, IA 50312

Tax Credit Allocation Division, Dave Vaske, Manager  
Iowa Finance Authority  
2015 Grand Avenue, Des Moines, IA 50312

**Return Document To:** R. Ronald Pogge  
2700 Grand Avenue, Suite 111, Des Moines, IA 50312

**Grantor:** RD ESW, LLC

**Grantee:** Iowa Finance Authority

**Legal Description:** See Exhibit A

**Book and Page Reference:** None

**Project Number and Name:** Earlham Stuart Winterset Apartments (ESW Apartments), 17-29

## ACKNOWLEDGMENTS OF COVENANTS

RE: Earlham Stuart Winterset Apartments (ESW Apartments), 17-29

WHEREAS, RD ESW, LLC, an Iowa limited liability company, (the "Owner"), is the owner of a (79) unit rental housing development that also includes an additional common space manager's unit located at 510 W Mills Street in the City of Winterset, County of Madison, State of Iowa, on the real property described in Exhibit A attached hereto, known as Earlham Stuart Winterset Apartments (ESW Apartments), (the "Project"); and

WHEREAS, the Iowa Finance Authority (the "Authority") has been designated by Iowa Code Section 16.35 as the housing credit agency for the State of Iowa for the allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

WHEREAS, in connection with an allocation of tax credits for the Project, the Owner has executed a Land Use Restrictive Covenants Agreement for Low-Income Housing Tax Credit Program and, (the "LURA"), as amended from time to time, dated September 24, 2018, and recorded in the Madison County Recorder's Office on October 4, 2018, at 8:22:55.0 AM, Book 2018, Page 3210; and

WHEREAS, the LURA creates covenants running with the land for the purpose of enforcing certain requirements of Section 42 of the Code and certain additional undertakings of the Owner in connection with its Application (as defined in the LURA) by regulating and restricting the use and occupancy of the Project as set forth therein; and

WHEREAS, to satisfy section 2(k) of the LURA the Owner has requested that Bonneville Mortgage Company, a Utah corporation, (the "Mortgages Holder"), as the holder of the following three mortgages from the Owner, respectively:

1. dated August 15, 2017, and recorded in the Adair County Recorder's Office on August 16, 2017, at 10:12:00.0 AM, Book 758, Page 83;
2. dated August 15, 2017, and recorded in the Madison County Recorder's Office on August 16, 2017, at 9:31:38.0 AM, Book 2017, Page 2550; and
3. dated August 15, 2017, and recorded in the Madison County Recorder's Office on August 16, 2017, at 9:31:42.0 AM, Book 2017, Page 2554;

(the "Mortgages"), execute this Acknowledgement of Covenants to (1) acknowledge the Mortgages Holder's consent to the LURA and (2) agree that the Mortgages Holder's interests in the Mortgages is subject to the interests of the authority under the LURA.

NOW THEREFORE, in consideration of and to induce the Authority to allocate tax credits to the Project, the Mortgages Holder hereby agrees as follows:

1. The Mortgages Holder, which is the holder of the above-described Mortgages, for itself and its successors and assigns, does hereby agree (a) that its interests under the Mortgages is subject to the restrictive covenants described in the LURA, (b) that such restrictive covenants run with the land as provided in the LURA and (c) that certain restrictive covenants, as set forth in Section 3 of the LURA, will remain in place for a period of three years after any foreclosure or deed in lieu of foreclosure;
2. The Mortgages Holder acknowledges (a) that, before its execution of this Agreement, it has reviewed or had the opportunity to review the LURA, (b) that it consents to the Owner's execution of the LURA, and (c) that the LURA imposes substantial restrictions on the use of the property comprising the Project;

[Signature Page to Follow]

DATED this 11 day of Oct., 20 18.

BONNEVILLE MORTGAGE COMPANY,  
as Bonneville Mortgages Holder

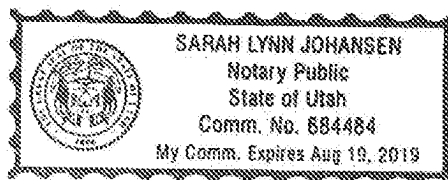
By [Signature]

Brent Peterson  
President Multi-Family Division

STATE OF Utah )  
 ) ss.  
COUNTY OF Salt Lake )

This record was acknowledged before me this 11 day of Oct., 20 18,  
by Brent Peterson as President, Multi-Family Division, of Bonneville Mortgage Company.

[Signature]  
Notary Public



## EXHIBIT A

Real property in the City of Stuart, County of Adair, State of Iowa, described as follows:

Parcel 1:

The West 122.5 feet of Lot Three (3) of Lot Two (2) of the Southeast Quarter of the Northeast Quarter (SE  $\frac{1}{4}$  NE  $\frac{1}{4}$ ), and the East 45 feet of the North 209.33 feet of Lot Three (3) of Lot Four (4) of Lot Two (2) of the Southeast Quarter of the Northeast Quarter (SE  $\frac{1}{4}$  NE  $\frac{1}{4}$ ), all in Section Five (5), Township Seventy-seven (77) North, Range Thirty (30) West of the 5<sup>th</sup> P.M., Iowa.

Parcel 2:

Lot Three (3) of Lot Four (4) of Lot Two (2), except the East 45 feet thereof in the Southeast Quarter of the Northeast Quarter (SE  $\frac{1}{4}$  NE  $\frac{1}{4}$ ) of Section Five (5), Township Seventy-seven (77) North, Range Thirty (30) West of the 5<sup>th</sup> P.M. in the Town of Stuart, Adair County, Iowa.

Real property in the City of Earlham, County of Madison, State of Iowa, described as follows:

A parcel of land located in the Southeast Quarter ( $\frac{1}{4}$ ) of the Northeast Quarter ( $\frac{1}{4}$ ) of Section One (1), Township Seventy-seven (77) North, Range Twenty-nine (29) West of the 5<sup>th</sup> P.M., City of Earlham, Madison County, Iowa, described more particularly as follows, to wit: Commencing at a point 33 feet North and 932 feet West of the Southeast corner of the Northeast Quarter ( $\frac{1}{4}$ ) of said Section One (1), thence West 360 feet, thence North 00°31' East 330 feet, thence East 360 feet, thence South 00°31' West 330 feet to the point of beginning.

Real property in the City of Winterset, County of Madison, State of Iowa, described as follows:

Lots Twenty-four (24), Twenty-five (25) and Twenty-six (26), and all that part of Lot Twenty-seven (27) which is West of a line described as commencing at the Northeast corner of Lot Twenty-six (26), and running thence South to the South line of said Lot Twenty-seven (27), all in Northwest Development – Plat 1, to the City of Winterset, Madison County, Iowa.