[**NOTE**: for use by homeownership projects that are applying for benefits pursuant to RPTL 421-a (16). Please submit a completed DRAFT of this restrictive declaration together with your 421-a application submission for the 421-a staff’s review. Once the staff approves the DRAFT, you must execute and record against the Property before the Certificate of Eligibility can be approved.]

**THIS RESTRICTIVE DECLARATION** ("Restrictive Declaration"), entered into as of the \_\_\_\_ day of \_\_\_, 201\_\_, by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its principal office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Owner") *[if subject to a ground lease: and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its principal office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Applicant")]*.

**WHEREAS**, Owner holds title to certain real property located in the Borough of \_\_\_\_\_\_\_\_\_ in the City and State of New York, known as and by the street address \_\_\_\_\_\_\_\_\_\_\_\_\_ [*address*]**,**  and identified as Block \_\_\_\_\_\_\_, Lot(s) \_\_\_\_ on the Tax Map of the City of New York ("Property"); and

*[if subject to a ground lease: WHEREAS, Applicant holds title to the leasehold estate in the Property pursuant to that certain lease having a term ending on \_\_\_\_\_\_\_\_\_\_\_ between Owner and Applicant, dated \_\_\_\_\_\_\_\_\_\_,201****\_*** *(“Lease”);and]*

**WHEREAS**, the Property contains one or more Eligible Multiple Dwellings that are a Homeownership Project and are receiving an exemption from real property taxation pursuant to Subdivision 16 ofReal Property Tax Law §421-a and Chapter 51 of Title 28 of the Rules of the City of New York (collectively "§ 421-a(16)") pursuant to § 421-a(16)Tax Exemption Benefit Application TEOXXXX; and

**WHEREAS,** unless otherwise defined in this Restrictive Declaration, capitalized terms used herein shall have the meaning set forth in § 421-a(16), and

**WHEREAS**, eligibility for exemption from real property taxation pursuant to §421-a(16) for a Homeownership Project is conditioned upon the Propertymeeting Affordability Option D, as set forth in §421-a(16), during the Restriction Period (“Affordability Requirement”); and

**WHEREAS**, [*Tax Incentives to determine*] is the Completion Date in accordance with Real Property Tax Law §421-a(16)*.*

**NOW THEREFORE**, in order to obtain an exemption from real property taxation pursuant to §421-a(16), the Owner has *[if subject to a ground lease: and Applicant have*] agreed to execute and record this instrument, which provides as follows:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and terminating on a date which is thirty-five years from the Completion Date.

2. One hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars upon the first assessment following the Completion Date (“Post-Completion Assessment Cap Requirement”).

3. The Property shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period (“Building Size Requirement”).

4. During the Restriction Period, each owner of any dwelling unit in the Property shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit (“Primary Residence Requirement”).

5. No portion of the Property shall be operated as a Hotel during the Restriction Period (“Hotel Prohibition Requirement”).

6. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

7. The Affordability Requirement, Post-Completion Assessment Cap Requirement, Building Size Requirement, Primary Residence Requirement and Hotel Prohibition Requirement set forth in this Restrictive Declaration shall run with the land, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.

*[8. [if subject to ground lease: Applicant shall be obligated to perform or cause performance of the terms of this Restrictive Declaration during the term of the Lease and Owner shall be obligated to perform or cause performance of the terms of this Restrictive Declaration following the termination of the Lease. Further, in such instance, Owner shall have the right to enter into another lease of the Property, in which event the tenant thereunder shall be the party obligated under this Restrictive Declaration.]*

8[9]. At any time prior to the Completion Date, the Owner may terminate this Restrictive Declaration by written notice to the City of New York Department of Housing Preservation and Development. *[if subject to ground lease: At any time prior to the Completion Date, the Applicant may terminate this Restrictive Declaration* *by written notice to the City of New York Department of Housing Preservation and Development.]* The exemption from real property taxation pursuant to §421-a(16) shall thereafter terminate, retroactive to the effective date of such exemption.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

STATE OF NEW YORK )

) SS:

COUNTY OF \_\_\_\_\_\_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 201\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to inthe within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NOTARY PUBLIC

Record and Return to:

John Leonard, Executive Director

Tax Incentives Programs

Department of Housing Preservation and Development

100 Gold Street, Room 8-D09

New York, New York 10038