

Declaration of Covenant Template

TOWN OF MILFORD, NEW HAMPSHIRE

COVENANT TO PROTECT PUBLIC BENEFIT

Per RSA 79-E:8 (Community Revitalization Tax Relief Incentive)

I (We) _____ [name] of _____ [address], _____ (town, city, zip code) (hereinafter referred to, collectively, if appropriate, as "GRANTOR") owner(s) of _____ [property] situate at _____ [address], Milford, NH (hereinafter referred to as the "PROPERTY"), for (myself/ourselves/itself) and for (my/our/it's) successors and assigns, for consideration of tax relief granted to GRANTOR by GRANTEE pursuant to the provisions of RSA 79-E, agree to the following covenants imposed by the Town of Milford, (hereinafter referred to as "GRANTEE"), 1 Union Square, County of Hillsborough, State of New Hampshire.

These covenants are made in exchange for property tax relief granted with respect to the PROPERTY as a result of the substantial rehabilitation of the PROPERTY to be accomplished by the GRANTOR in accordance with GRANTOR proposal (specific approved scope of work is attached as "CHAPTER 79-E COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE ADDENDUM") approved by GRANTEE on [date of Board of Selectmen approval].

This COVENANT is to protect the public benefit in accordance with the provisions of RSA 79-E for a term of _____ [number of years] years, beginning on April first of the first tax year commencing immediately after the completion of the rehabilitation work. Notwithstanding the foregoing, the contemplated tax relief shall be null and void if the proposed rehabilitation work is not completed by March 31st _____ [deadline year for completion].

The PROPERTY is designated as Tax Map [number] Lot [number] in the Town of Milford. For further reference to GRANTOR'S title, see deed recorded at Book [reference], Page [reference], Hillsborough County Registry of Deeds.

The GRANTEE agrees that the PROPERTY, if substantially rehabilitated in accordance with GRANTOR'S proposal approved by GRANTEE on [date of Board of Selectmen approval] provides a demonstrated public benefit in accordance with the provisions of RSA 79-E:7 inasmuch as the substantial rehabilitation of said property:

- I. Enhances the economic vitality of the extended Milford Downtown Area.
- II. Enhances or improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located.
- III. Promotes development of the extended Milford Oval and downtown areas, providing for efficiency, safety and a greater sense of community consistent with RSA 9-B.

IV. Increases residential housing diversity and opportunities. The Town of Milford Board of Selectmen held a public hearing on _____ [date of Board of Selectmen approval] and at that meeting made the following findings consistent with and required by RSA 79-E: 7 & 8.

The terms of the COVENANT which is hereby granted by the GRANTOR to the GRANTEE with respect to the above described PROPERTY are to be co-extensive with the tax relief period and are as follows:

SUMMARY OF FINDINGS.

(Insert summary of findings if desired).

GRANTOR'S COVENANTS.

REHABILITATION OF PROPERTY. The Grantor agrees to substantially rehabilitate the PROPERTY during the term of this Agreement in accordance with GRANTOR'S proposal approved by GRANTEE on _____ [date of Board of Selectmen approval]. The substantial rehabilitation contemplated by GRANTOR'S proposal approved by GRANTEE on _____ [date of Board of Selectmen approval] shall be completed by the GRANTOR on or before March 31, _____ [deadline year]. All of the work on the attached scope of work must be completed in order for the tax relief to take effect. If only some of the work on the attached scope of work is completed prior to March 31, _____ [upcoming year] or March 31, _____ [following year], then the PROPERTY shall be fully assessed for the value of that work during the tax year(s) commencing [upcoming year] and/or _____ [following year].

MAINTENANCE OF THE PROPERTY. The GRANTOR agrees to maintain, use and keep the structure in a condition that furthers the public benefits for which the tax relief was granted and accepted during the term of the tax relief under RSA 79-E.

(Insert any particular restrictions such a signage, maintenance of building and its surroundings, other structure and so forth, as may be agreed upon between the Grantor and Grantee.)

REQUIRED INSURANCE, USE OF INSURANCE PROCEEDS, AND TIMEFRAME TO REPLACE OR REMOVE DAMAGED PROPERTY. The GRANTOR agrees and is required to obtain and maintain casualty insurance, as well as flood insurance, if appropriate. As permitted by RSA 79-E:8, this COVENANT shall be a lien against proceeds from casualty and flood insurance claims for the purpose of ensuring proper restoration or demolition or damaged structures and property. The GRANTEE further requires that the restoration or demolition commence within one year

following any insurance claim incident; otherwise the GRANTOR shall be subject to the termination provisions set forth in RSA 79-E:9, I.

RECORDING. The GRANTEE agrees to and shall provide for the recording of this COVENANT with the Hillsborough County Registry of Deeds. It shall be a burden upon the PROPERTY and bind all transferees and assignees of such PROPERTY. The GRANTOR will be solely responsible for payment of the recording fees.

ASSESSMENT OF THE PROPERTY. The GRANTEE agrees that the PROPERTY shall be assessed, during the term of the Tax Relief Granted based on the pre-rehabilitation value or such other value utilized by the Assessor to address improvements not covered by RSA 79-E. If the terms of these covenants are not met, the Property Tax Relief will be discontinued. Furthermore, the GRANTEE will assess all taxes to the owner as though no tax relief was granted, with interest in accordance with RSA 79-E:9, II.

RELEASE, EXPIRATION, CONSIDERATION.

- I. RELEASE. The GRANTOR may apply to the local governing body of the Town of Milford for a release from the foregoing discretionary tax relief and associated COVENANT within the duration of the tax relief period of the RSA 79-E upon a demonstration of extreme personal hardship. Upon release from such covenants, the GRANTOR shall thereafter pay the full value assessment of such structure(s) and land to the Tax Collector of the Town of Milford.
- II. EXPIRATION. Upon final expiration of the terms of the tax relief and associated covenants the tax assessment will convert to the then full fair market value and these covenants will be concluded.
- III. CONSIDERATION. The Tax Collector shall issue a summary receipt to the owner of such PROPERTY and a copy of the governing body of the Town of Milford for the sums of tax relief accorded during the term of this Agreement. The local governing body shall, upon receiving a copy of the above-mentioned consideration, execute a release of the COVENANT to the GRANTOR who shall record such a release with the Hillsborough County Registry of Deeds. A copy of such release or renewal shall also be sent to the local assessing official.
- IV. MAINTENANCE OF STRUCTURE. If, during the term of the tax relief, the GRANTOR shall fail to maintain the structure in conformity with the foregoing agreement, or shall cause the structure(s) to significantly deteriorate or be demolished or removed, the covenants shall be terminated and a penalty shall be assessed in accordance with Paragraph I(a) above.

ENFORCEMENT. If a breach of this COVENANT is brought to the attention of the GRANTEE, the GRANTEE shall notify the GRANTOR, in writing of such breach, which notification shall be delivered in hand or by certified mail, return receipt requested to the GRANTOR.

The GRANTOR shall have 30 days after receipt of such notice to undertake those actions, including restorations, which are reasonably calculated to cure the said breach and to notify the GRANTEE thereof.

If the GRANTOR fails to take such curative action, the GRANTEE may undertake any actions that are reasonably necessary to cure such breach, and the cost thereof, including GRANTEE'S expenses,

court costs and legal fees, shall be paid by the GRANTOR, provided the said GRANTOR is determined to be directly or indirectly responsible for the breach.

The GRANTOR, by accepting and recording this COVENANT to the GRANTOR agrees to be bound by and to observe and enforce the provisions hereof and assumes the rights and responsibilities herein provided for and incumbent upon the GRANTEE, all in furtherance the purposes for which this Tax Relief and associated COVENANT is delivered.

WITNESS MY/OUR/IT'S HAND this _____ day of _____, 20_____.

Witness:_____ Grantor:_____

Print Name: _____

Witness:_____ Grantor: _____

Print Name: _____

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

On this _____ day of _____, 20____, personally appeared the above
_____ and _____, known to me, or satisfactorily proven, to be
the same, and acknowledged that he/she/they executed the same for the purposes contained
therein.

Notary Public/Justice of the Peace

My commission expires:_____

ACCEPTED this _____ day of _____, 20____ by the Town of MILFORD.

TOWN OF MILFORD

By:_____ Print Name:_____

*Milford Town Administrator
(Or other authorized designee)*