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DECLARATION OF TRUST

WHEREAS, THE HOUSING AUTHORITY OF THE TOWN OF CALERA, ALABAMA (herein called the "Local Authority"), a public body corporate and politic duly created and organized pursuant to and in accordance with the provisions of the laws of the STATE of ALABAMA and the United States of America (herein called the "Government") pursuant to the United States Housing Act of 1937, as amended (42 U.S.C. 1401, et seq.) and the Department of Housing and Urban Development Act (5 U.S.C. 624, et seq.) entered into a certain contract dated as of AUGUST 30, 1977, (herein called the "Annual Contributions Contract") providing for a loan and for annual contributions to be made by the Government to assist the Local Authority in developing, and in achieving and maintaining the low-rent character of, low-rent housing project(s); and

WHEREAS, as of the date of the execution of this Declaration of Trust the Annual Contributions Contract provides for the development and operation by the Local Authority of certain low-rent housing in the STATE of ALABAMA, County of SHELBY, TOWN of CALERA which will provide approximately 50 dwellings; and which low-rent housing will be known as (Project No. AL09P085004); and

WHEREAS, the Local Authority (1) proposes to issue and deliver its Bonds and Permanent Notes to aid in financing the Projects from time to time provided for under the terms of the Annual Contributions Contract to which Contract reference is hereby made for definitions of the Bonds, Permanent Notes, and Projects, and (2) may from time to time issue and deliver its obligations (herein called "Refunding Bonds") to refund said Bonds and Permanent Notes; and

WHEREAS, each Project and the site or sites thereof will have been constructed or acquired with the proceeds of the Bonds and/or advances by the Government on account of the loan provided for in the Annual Contributions Contract and the Bonds and permanent Notes will be secured (1) severally, by pledges of specific amounts of the annual contributions payable to the Local Authority by the Government pursuant to said Contract; and (2) by a pledge of certain revenues of the Projects financed by an issue or issues of Bonds to the extent and in the manner described in the Annual Contributions Contract and the resolutions of the Local Authority authorizing such Bonds and Permanent Notes;

NOW, THEREFORE, to assure the Government and the holder or holders of the Bonds, Refunding Bonds, or Permanent Notes, and each of them, of the performance by the Local Authority of the covenants contained in the Annual Contributions Contract and the resolutions of the Local Authority authorizing the issuance of the Bonds, Refunding Bonds, or Permanent Notes, the Local Authority does hereby acknowledge and declare that it is possessed of and holds in trust for the benefit of the Government and said holders of the Bonds, Refunding Bonds, or Permanent Notes, for the purposes hereinafter stated, the following described real property situated in the

STATE of ALABAMA, COUNTY of SHELBY, TOWN of CALERA
 TO WIT:

SEE EXHIBIT "A"

Project No. AL09P085004

Bruce Green
 P.O. Box 766
 Calera, AL

and all buildings and fixtures erected or to be erected thereon or appurtenant thereto.

The Local Authority hereby declares and acknowledges that during the existence of the trust hereby created the Government and the holders from time to time of the Bonds, Refunding Bonds, or Permanent Notes issued or to be issued pursuant to the provisions of the Annual Contributions Contract, have been granted and are possessed of an interest in the above-described Project Property, to wit:

The right to require the Local Authority to remain seized of the title to said property and to refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, leasing, mortgage, pledge or other encumbrance of said property or any part thereof, appurtenances thereto, or any rent, revenues, income, or receipts therefrom or in connection therewith, or any of the benefits or contributions granted to it by or pursuant to the Annual Contributions Contract, or any interest in any of the same except that the Local Authority (1) may, to the extent and in the manner provided in Sec. 313 of the Annual Contributions Contract, (a) lease dwellings and other spaces and facilities in any Project, or (b) convey or otherwise dispose of any real or personal property which is determined to be excess to the needs of any Project, or (c) convey or dedicate land for use as streets, alleys, or other public rights-of-way, and grant easements for the establishment, operations, and maintenance of public utilities, or (d) enter into and perform contracts for the sale of dwelling units to members of tenant families, as authorized by the United States Housing Act of 1937, 42 U.S.C. 1401, et seq., or (2) with the approval of the Government, release any Project which has not then been financed by an issue or issues of Bonds from the trust hereby created; Provided, that nothing herein contained shall be construed as prohibiting the conveyance of title to or the delivery or possession of any Project to the Government in pursuance of Section 501 or Sec. 502 of the Annual Contributions Contract.

The endorsement by a duly authorized officer of the Government (1) upon any conveyance made by the Local Authority of any real or personal property which is determined to be excess to the needs of any Project; or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation, and maintenance of public utilities; or (3) upon any instrument transferring or conveying a dwelling unit, or an interest therein, to a member of a tenant family; or (4) upon any instrument of release made by the Local Authority of any Project which has not then been financed by an issue or issues of Bonds shall be effective to release such property from the trust hereby created.

When all indebtedness of the Local Authority to the Government, arising under the Annual Contributions Contract, has been fully paid and when all the Bonds, Refunding Bonds, and Permanent Notes, together with interest thereon, have been fully paid, or monies sufficient for the payment thereof have been deposited in trust for such payment in accordance with the respective resolution of the Local Authority, authorizing the issuance of such Bonds, Refunding Bonds, and Permanent Notes, the trust hereby created shall terminate and shall no longer be effective.

Nothing herein contained shall be construed to bestow upon the holder or holders of any of the Bonds or Refunding Bonds, or of the coupons appertaining thereto, or any holder of the Permanent Notes (other than the Government) any right or right of action or proceeding by which the Local Authority might be deprived of title to or possession of any Project.

The terms "Bonds," "Refunding Bonds," and "Permanent Notes," as used herein shall include Temporary Notes, Advance Notes, Preliminary Notes and Promissory Notes, or other evidence of indebtedness issued pursuant to the Authority's Annual Contributions Contract.

IN WITNESS WHEREOF, the Local Authority by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this 5 day of Aug., 1986.

THE HOUSING AUTHORITY OF THE TOWN
OF CALERA, ALABAMA

(SEAL)

ATTEST:

Bruno A. Hudson
Secretary

R. V. Martin
Chairman

EXHIBIT "A"

STATE OF ALABAMA
COUNTY OF SHELBY

PARCEL I

Blocks 226 and 235, according to J.H. Dunstan's Map of the Town of Calera, Alabama. Situated in Shelby County, Alabama.

PARCEL II

Lots 18 to 28, both inclusive in Block 48, according to J.H. Dunstan's Map of the Town of Calera, Alabama. Situated in Shelby County, Alabama

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STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1986 SEP -5 AM 7:59

Thomas H. Henderson, Jr.
JUDGE OF PROBATE

RECORDING FEES	
Recording Fee	\$ <u>7.50</u>
Index Fee	<u>1.00</u>
TOTAL	\$ <u>8.50</u>