

**FIRST AMENDMENT
TO HOUSING AFFORDABILITY AGREEMENT
Stimson Apartments**

THIS First Amendment (“Amendment”) to the Housing Affordability Agreement is made and entered into this _____ day of _____, 2026, by and between the City of Ann Arbor, a Michigan municipal corporation, with principal address at 301 East Huron Street, Ann Arbor, Michigan 48104 (“CITY”), and Avalon Housing, Inc., a Michigan nonprofit corporation (“OWNER”) whose address is 1327 Jones Drive, Suite 102, Ann Arbor, Michigan 48105. This Amendment modifies the City of Ann Arbor Community Services Housing Affordability Agreement Stimson Apartment between the City and Owner recorded in Liber 4567, Page 673, Washtenaw County Records (“Housing Affordability Agreement”).

WHEREAS, the OWNER owns certain real property and improvements commonly known as Stimson Apartments (the “Project”), which are located in the City of Ann Arbor, County of Washtenaw, State of Michigan on certain real property more particularly described on Exhibit A attached hereto and incorporated herein;

WHEREAS, the Project is restricted for use as affordable housing subject to the terms and conditions in the Housing Affordability Agreement;

WHEREAS, the City has paid to OWNER \$380,180 in HOME funding and \$245,000 in CDBG funding as deferred payment loans for the acquisition and rehabilitation of the Project, as specified by the Housing Affordability Agreement; and

WHEREAS, the OWNER requests amendment to the Housing Affordability Agreement to allow two of the units in the Project to be rented to persons with annual household incomes equal to or less than 80% of the Area Median Income.

The Parties agree as follows:

- (1) Paragraph 7 of the Housing Affordability Agreement shall be replaced with the following:

INCOME AND RENT DETERMINATION:

- A. The OWNER shall comply with the requirements of 24 CFR 92.252 pertaining to the qualification of units assisted under the HOME program as affordable housing and shall agree to the repayment of funds if the housing does not meet the affordability requirements for the duration of this Agreement.
- B. The use of the Project shall be restricted to affordable housing as follows:
 - i. Twenty-one (21) of the units at the Project shall be rented to households at or below 60% of Area Median Income as reported by the United States Department of Housing and Urban Development for the metropolitan statistical area that includes the City of Ann Arbor, Michigan ("Local AMI"); and
 - ii. Two (2) of the units at the Project shall be rented to households at or below 80% of Local AMI.
- C. The income restriction applies to initial occupancy of the household and does not require eviction of a household whose household income later exceeds 80% of Local AMI or 60% of Local AMI, as applicable. The OWNER may increase rents for households whose income exceeds the 80% or 60% Local AMI, as applicable, to a level not to exceed 30% of the household's annual income.
- D. The OWNER shall establish annualized rent levels which are at or below the published High HOME or Low HOME rent levels appropriate to the unit size by number of bedrooms as defined by HUD. A minimum of 20% of the units must be designated as very low-income units with rents that do not exceed the Low HOME rent rate. The remaining units will not exceed the High HOME rent rate. The very low-income units are floating units. All units are designated as HOME-assisted.
- E. The OWNER shall provide tenant protections in conformance with 24 CFR 92.253.

CITY OF ANN ARBOR
a Michigan municipal corporation

By: _____
Christopher Taylor, Mayor

By: _____
Jacqueline Beaudry, City Clerk

STATE OF MICHIGAN)
) ss:
COUNTY OF WASHTENAW)

This instrument was acknowledged before me this _____ day of _____, 20____
by Christopher Taylor, Mayor, and Jacqueline Beaudry, Clerk of the City of Ann Arbor, a
Michigan municipal corporation, on behalf of the corporation.

NOTARY PUBLIC
County of _____, State of Michigan
My Commission Expires: _____
Acting in the County of Washtenaw

(Signatures continue on the following page)

City of Ann Arbor Internal Approvals

Approved by:

Milton Dohoney Jr., City Administrator

Atleen Kaur, City Attorney

(Signatures continue on the following page)

Avalon Housing, Inc.

By: _____
[Name, Title]

Signed in:

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____, 20____
by _____, _____ of _____,
a _____, on behalf of the _____.

NOTARY PUBLIC
County of _____, State of _____
My Commission Expires: _____
Acting in the County of _____

DRAFTED BY AND AFTER RECORDING RETURN TO:

Nicole Vargas (P85580)
Assistant City Attorney
Office of the City Attorney
City of Ann Arbor
Ann Arbor, MI 48104

Exhibit A

Property in the City of Ann Arbor, Washtenaw County, Michigan, described as follows:

Lots 5 through 14, Stimson subdivision, as recorded in Liber 5 of Plats, Page 30,
Washtenaw County Records

Commonly known as 1613 White Street and 800 through 838 Stimson Avenue, Ann
Arbor, Michigan 48104

(Parcel ID's: 09-33-316-001, 09-33-316-002, 09-33-316-003, 09-33-316-004, 09-33-
316-005, 09-33-316-006)