

WHEN RECORDED MAIL TO:
STATE OF UTAH, OLENE WALKER
HOUSING TRUST FUND
1385 South State Street, 4th Floor
Salt Lake City, UT 84115

13064643
8/30/2019 4:14:00 PM \$40.00
Book - 10824 Pg - 3437-3440
RASHELLE HOBBS
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 4 P.

CT- 112421-CAF

Space Above This Line For Recorder's Use

LOAN NO: HME1753

DEED RESTRICTION

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 30th day of AUGUST, 2019, by JF UNION PARTNERS. LLC, (the "Borrower"), for the benefit of the OLENE WALKER HOUSING LOAN FUND, (the "State"). For good and valuable consideration, Borrower hereby agrees as follows for the benefit of the State:

A. PROPERTY ENCUMBERED. The restriction shall be recorded against that certain real property located in SALT LAKE COUNTY as more fully described as follows:

LEGAL DESCRIPTION:

PARCEL 1:

Beginning at a point which is South 1517.71 feet and East 27.86 feet from the North quarter corner of Section 25, Township 2 South, Range 1 West, Salt Lake Base and Meridian; said North quarter corner being North 00°18'38" East along the basis of bearing, 2640.92 feet and South 89°41'48" East, 2617.36 feet from the West quarter corner of said Section 25; and running thence East 188.00 feet to the West line of Cottonwood Street; thence along said West line of Cottonwood Street the following two (2) courses: South 00°20'00" West 192.51 feet; thence South 00°48'59" West, 237.69 feet; thence South 46°27'59" West 39.04 feet; thence North 89°43'00" West 337.16 feet, more or less to the Easterly boundary of UDOT Parcel; thence North 262.89 feet along the Easterly deed line of the UDOT and G6 Hospitality Property LLC (Entry No. 11465272 in Book 10053 at Page 3535) and along an existing fence line to a point on the deed line of the LQ Properties LLC (Entry No. 9664413 in Book 9267 at Page 6701); thence along said LQ Properties deed line the following four (4) courses: East 194.96 feet; thence North 50.00 feet; thence West 13.00 feet; thence North 142.51 feet to the point of beginning.

PARCEL 1A:

An easement for a storm drainage line as described in that certain Easement Agreement, dated October 6, 1993 and recorded October 29, 1993 as Entry No. 5642379 in Book 6788 at Page 1714.

Tax Parcel No(s): 21-25-251-033

Subject Property is also known by property address: 7304 S Cottonwood Street, Midvale UT 84047.

B. NATURE OF RESTRICTION.

- (1) All Olene Walker Housing Loan Fund monies must be used to assist families whose annual incomes do not exceed 80 percent of the median family income for the area as determined by HUD, with adjustments based on family size. In addition, at least 90 percent of Olene Walker Housing Loan

Fund monies used for rental housing must be used to assist families whose annual incomes do not exceed 60 percent of the median family income for the area as determined by HUD.

- (2) Rental housing will qualify as affordable only if the project has 100 percent of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 60 percent or less of median income as defined by HUD. These units must sustain the High rents as described in the following section.
- (3) Every Olene Walker Housing Trust Fund assisted unit is subject to rent limitations designed to ensure that rents are affordable to low and very low income people. These maximum rents are to be referred to as HOME rents. For this Project, all HOME assisted rental units must have rents that are the lesser of: The Section 8 Fair Market Rents (FMR'S) or area-wide exception rents for existing housing minus tenant paid utilities OR rents which are 30% of adjusted income for households at 60% of median income minus tenant paid utilities;
- (4) In projects where Low Income Housing Tax Credits are part of the financing, two sets of rent rules apply:
 - (a) Qualified tax credit units must not exceed tax credit rent limits, while HOME-assisted units must meet HOME rent requirements. If a unit is being counted under both programs, the stricter rent limit applies.
 - (1) Low HOME rent units are subject to the lower of the Low HOME rent and the tax credit rent (usually the tax credit rent).
 - (2) High HOME rent units are subject to the lower of the High HOME rent and the tax credit rent (usually the tax credit rent).
 - (b) When tenants receive additional subsidy through rental assistance programs such as Section 8, additional requirements apply.
 - (1) Under tax credit rules, if the rental assistance program rent limit exceeds the tax credit rent, the unit rent may be raised to the higher limit as long as tenants pay no more than 30 percent of their adjusted monthly income for housing costs.
 - (2) HOME allows the rent to be raised to the rental assistance program limit only if the tenant pays no more than 30 percent of adjusted income, the subsidy is project-based (not tenant-based), and tenant's income is less than 50 percent of the area median income.
 - (3) In a joint tax credit/HOME-assisted unit, the stricter HOME requirements would apply.

C. ADDITIONAL RESTRICTIONS

Project will have a total of 8 HOME-assisted units on a floating basis, which will consist of 4 one-bedroom and 4 two-bedroom units

D. NONCOMPLIANCE WITH DEED RESTRICTION

If Borrower is found to be out of compliance with this Deed Restriction, the STATE has the option to call the Note due and payable in full.

E. TERM

This restriction shall run with the title to the Property and shall be binding upon the successors, assigns, and beneficiaries of the parties. The term of the restriction shall run from the date of execution hereof and remain in effect during the period of affordability under Section 92.252 or Section 92.254 of 24 CFR Part 92 (HOME Investment Partnership Program) as amended from time to time, as applicable, or until the Trust Deed Note of like date is paid in full, whichever is later (the "Affordability Period"). Upon such occurrence, this restriction shall

automatically terminate without need for any other documentation, notice or recorded material. Nevertheless, Borrower and the State shall promptly cooperate together and take the actions and sign the documents that either of them deems necessary to terminate the Restriction and remove all record thereof from the title of the Property.

F. HUD PROVISIONS

Notwithstanding anything in this document to the contrary, except the requirements in 26 U.S.C. 42(h)(6)(e)(11), the provisions hereof are expressly subordinate to the HUD insured mortgage or Deed of Trust, to the HUD Regulatory Agreement, and subordinate to all applicable HUD mortgage insurance (and Section 8, if applicable) regulations and related administrative requirements. In the event of any conflict between the provisions of this document and the provisions of applicable HUD regulations, related HUD administrative requirements, or HUD/FHA loan documents, the HUD regulations, related administrative requirements or loan documents shall control.

Enforcement of the covenants herein will not result in any claim against the project, any reserve or deposit required by HUD in connection with the mortgage transaction, or the rents or other income from the property other than:

1. Available surplus cash, if the mortgagor is profit-motivated;
2. Available distributions and residual receipts authorized for release by HUD, if the mortgagor is limited distribution; or
3. Available residual receipts authorized by HUD, if the mortgagor is non-profit.

Any subsequent amendment to this document is subject to prior HUD approval.

No action shall be taken in accordance with the rights granted herein to preserve the tax exemption of the interest on the notes or bonds (and/or tax credits), or prohibiting the owner from taking any action that might jeopardize the tax-exemption (and/or tax credit), except in strict accord with the National housing Act, applicable mortgage insurance regulations, the HUD/FHA loan documents, or if applicable, Section 8 of the U.S. Housing Act of 1937 and the regulations thereunder.

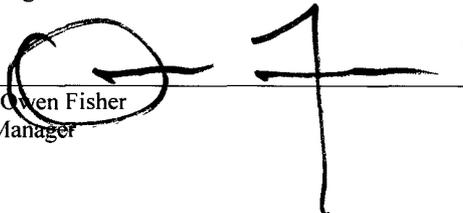
Dated this 29th day of August, 2019.

JF UNION PARTERS, LLC, a Utah limited liability company
(Borrower)

By: JF UNION MEMBER, LLC, a Utah limited liability
company
Its: Managing Member

By: JF CAPITAL, LLC, a Utah limited liability company
Its: Sole Member and Manager

By: J. FISHER COMPANIES, LLC, a Utah limited liability
company
Its: Manager

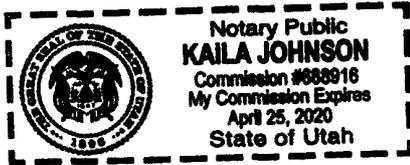
By: 
Name: Owen Fisher
Title: Manager

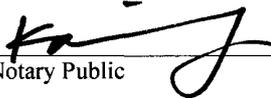
STATE OF UTAH)

COUNTY OF ~~SALT LAKE~~ **DAVIS**)

ss:

On the **29th** day of **August**, 2019 personally appeared before me Owen Fisher, who being by me duly sworn did say that he is the Manager of J. Fisher Companies, LLC, and that the attached instrument was signed on behalf of said Company, and said persons acknowledged to me that said limited liability company executed the same.




Notary Public