

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

11626A-CAU

RECORDED

JAN 16 2020

13181997
1/29/2020 3:32:00 PM \$40.00
Book - 10890 Pg - 4716-4720
RASHELLE HOBBS
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 5 P.

Space Above This Line For Recorder's Use

LOAN NO: HTF1762

CITY RECORDER
DEED RESTRICTION

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 29th day of JANUARY, 2020 by STH MAGNOLIA, LLC, (the "Borrower"), and Salt Lake City Corporation, a Utah Municipal Corporation (Fee simple "owner") for the benefit of the OLENE WALKER HOUSING LOAN FUND, (the "State"). For good and valuable consideration, Borrower and Owner hereby agree 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:

Lot 1, VIOLIN SCHOOL COMMON SUBDIVISION, according to the official plat thereof, as recorded in the office of the Salt Lake County Recorder on December 12, 2019 as Entry No. 13145119 in Book 2019P at Page 344.

PARCEL 1A:

A non-exclusive right of way over and across the following described property:
Beginning at a point being South 89°58'28" West 6.00 feet South 00°02'38" East 60.02 feet from the Northwest corner of Lot 3, Block 50, Plat "B", Salt Lake City Survey; said point being on the Easterly right-of-way line of 300 East Street; thence leaving said Easterly right-of-way line along the Northerly line of Arnold Place North 89°58'29" East 154.75 feet; thence South 00°02'38" East 11.50 feet to the centerline of Arnold Place; thence along said centerline South 89°58'29" West 154.75 feet to said Easterly right-of-way of 300 East Street; thence along said Easterly right-of-way line North 00°02'38" West 11.50 feet to the point of beginning.

PARCEL 1B:

A non-exclusive right of way over and across the following described property:
Beginning at a point being North 89°58'28" East 138.22 feet from the Northwest corner of Lot 3, Block 50, Plat "B", Salt Lake City Survey, said point being on the Northerly line of said Lot 3; thence along said Northerly line of Lot 3 North 89°58'28" East 16.53 feet; thence leaving said Northerly line of Lot 3 South 00°02'38" East 83.02 feet; thence South 89°58'29" West 16.53 feet; thence North 00°02'38" West 83.02 feet to the point of beginning.

PARCEL 1C:

A non-exclusive easement, appurtenant to Parcel 1, for ingress and egress, as defined in that certain Declaration of Access Easement recorded December 12, 2019 as Entry No. 13145124 in Book 10871 at Page 4531.

Tax Parcel No(s): 16-06-205-027

Subject Property is also known by property address: 175 S 300 E, Salt Lake City UT 84111.

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:
 - (a) has at least 20 percent of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 50 percent or less of median income as defined by HUD. These units must sustain the Low rents as described in the following section.
 - (b) has at least 70 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.
 - (c) has the remainder of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 80 percent or less of median income as defined by HUD. These units also 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. There are four HOME rents established for projects: High HOME rents and Low HOME rents:
 - (a) High HOME rents: 80% of 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 65% of median income minus tenant paid utilities;
 - (b) Low HOME rents: 20% of HOME assisted units must have rents which equal 30% of annual income for households at 50% 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 8 studio units.

D. NONCOMPLIANCE WITH DEED RESTRICTION

If Borrower or Owner are 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.

Dated this 29th day of JANUARY, 2020.

STH MAGNOLIA, LLC, a Utah limited liability company,
(Borrower)

By: STH Magnolia Holdings, LLC, a Utah limited liability
company
(Manager)

By: Shelter the Homeless, Inc., a Utah nonprofit corporation
(Manager)

By: 
Name: Preston L. Cochrane
Title: Executive Director

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On the 15 day of JAN, 2020 personally appeared before me Preston L. Cochrane, who being by me duly sworn did say that he is the Executive Director, of Shelter the Homeless, Inc., a Utah nonprofit corporation, 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

Owner consents to and agrees to be bound by the terms of this Restriction, and shall reference the Restriction in each Lease, Assignment, or other transfer of the Property.

Dated this ___ day of _____, 2020.

Salt Lake City Corporation,

By: _____
Title: Mayor

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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.

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STH MAGNOLIA, LLC, a Utah limited liability company,
(Borrower)

By: STH Magnolia Holdings, LLC, a Utah limited liability
company
(Manager)

By: Shelter the Homeless, Inc., a Utah nonprofit corporation
(Manager)

By: _____
Name: Preston L. Cochrane
Title: Executive Director

STATE OF UTAH)
)
) ss:
)
COUNTY OF SALT LAKE)

On the ____ day of _____, 2020 personally appeared before me Preston L. Cochrane, who being by me duly sworn did say that he is the Executive Director, of Shelter the Homeless, Inc., a Utah nonprofit corporation, 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

Owner consents to and agrees to be bound by the terms of this Restriction, and shall reference the Restriction in each Lease, Assignment, or other transfer of the Property.

Dated this 16 day of Jan., 2020.

Salt Lake City Corporation,

By: _____
Title: Mayor

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date: January 16, 2020
Sign: [Signature]
Print: Kimberly R. Cavanna

[Signature]
Deputy CITY RECORDER

RECORDED
JAN 16 2020

CITY RECORDER

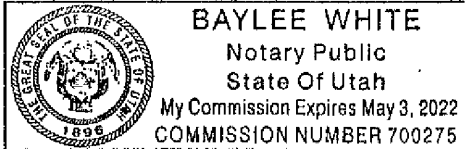



STATE OF UTAH)

ss:

COUNTY OF SALT LAKE)

On the 16 day of January, 2020 personally appeared before me Erin Mendenhall, who being by me duly sworn did say that he is the Mayor, of Salt Lake Corporation, and that the attached instrument was signed on behalf of said Corporation, and said person acknowledged to me that said Corporation executed the same.





Notary Public