

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

CR Timbergate Communities, LLC
c/o ColRich
444 West Beach Street, Suite 300
San Diego, California 92101

TAX ID 26-26-226-004-0000

**ASSIGNMENT AND ASSUMPTION OF LOW-INCOME HOUSING CREDIT
COMMITMENT AGREEMENT AND DECLARATION OF RESTRICTIVE
COVENANTS**

THIS ASSIGNMENT AND ASSUMPTION OF LOW-INCOME HOUSING CREDIT COMMITMENT AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (“**Assignment**”), made as of February 13, 2019 (the “**Effective Date**”) by and among MILLER TIMBERGATE APARTMENTS, LLC, a Utah limited liability company (“**Assignor**”), CR TIMBERGATE COMMUNITIES, LLC, a Delaware limited liability company (“**CR Timbergate**”) and TIMBERGATE LINDA VISTA, LLC, a Delaware limited liability company (“**Linda Vista**” and together with CR Timbergate as tenants-in-common, “**Assignee**”), and UTAH HOUSING CORPORATION, a public corporation of the State of Utah (“**Utah Housing**”).

RECITALS

A. Assignor and Sare Investments, LLC, a California limited liability company (“**Sare**”), entered into that certain Purchase and Sale Agreement dated as of December 13, 2018, as assigned by Sare to Assignee (as amended and assigned, the “**Agreement**”), for the purchase and sale of certain real property known as Timbergate Apartments, located in Herriman, Utah (the “**Property**”), as more particularly described on **Exhibit A** hereto.

B. The Property is subject to that certain Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants dated March 5, 2009, by and between Assignor and Utah Housing, and recorded April 24, 2009 in the Office of the County Recorder of Salt Lake County, Utah as Document Number 10683049, as amended by that certain Amedment to Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants dated as of November 8, 2011 and recorded November 9, 2011 in the Office of the County Recorder of Salt Lake County, Utah as Document Number 11277117 (collectively, “**Regulatory Agreement**”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

NTA 18-322148

1. **Assignment of Regulatory Agreement.** Assignor hereby assigns and delivers to Assignee the Regulatory Agreement and all of the rights, interests, benefits and privileges of the Assignor thereunder, and Assignee hereby accepts such assignment.

2. **Assumption of Obligations; Prior Non-Compliance.**

(a) By acceptance of this Assignment, Assignee hereby assumes and agrees to perform all of the obligations of Assignor under the Regulatory Agreement for the benefit of Utah Housing, in each case, first arising from and after the Effective Date.

(b) Notwithstanding the foregoing, Assignee shall have no obligations or liabilities to Assignor, whether to indemnify, perform covenants, or to pay any damages, costs, or expenses, with respect to Prior Noncompliance (defined below) (other than as the result of Assignee's breach of its obligations under this Section 2(b)). Within ten (10) business days after Assignee has actual knowledge of any Prior Noncompliance, Assignee shall notify Assignor of any such Prior Noncompliance. Notwithstanding anything to the contrary set forth herein, from and after the Effective Date and until the expiration of the Property Compliance Period (defined below), Assignee agrees to reasonably cooperate and/or jointly undertake with Assignor, at Assignor's expense, any corrective action Assignor reasonably determines is necessary to remedy the Prior Noncompliance or to mitigate Assignor's liability with respect thereto, including, without limitation, (i) upon reasonable prior written notice to Assignee, allowing Assignor and its representatives to have access to the Property and the Property files (other than any appraisals; budgets; strategic plans for the Property; internal analyses; attorney and accountant work product; attorney-client privileged documents; internal correspondence of Assignee, any direct or indirect owner of any beneficial interest in Assignee, or any of their respective affiliates and correspondence between or among such parties; or other information that Assignee reasonably deems confidential, proprietary, or privileged), and (ii) upon Assignee's prior written consent, to communicate directly with the tenants and other appropriate persons as to any such matters; provided that Assignee or a representative of Assignee shall have the right to be present (whether telephonically or in person) during any conversations between Assignee and any tenant or such other person.

(c) As used herein:

(i) **"Prior Noncompliance"** shall mean any noncompliance with the Regulatory Agreement or with any Tax Credit laws, to the extent such noncompliance occurred prior to the Effective Date.

(ii) **"Property Compliance Period"** shall mean the initial 15-year "Compliance Period" (as such term is defined in Internal Revenue Code Section 42(i)(1)) with respect to some or all of the buildings existing on the Property, which period shall remain in effect until January 1, 2026.

(iii) **"Tax Credit"** means low-income housing tax credits under Section 42 of the Internal Revenue Code and the Treasury Regulations promulgated thereunder.

3. **Consent.** Utah Housing hereby acknowledges and consents to the transfer of the Property to Assignee and the assignment provided for in Paragraph 1 hereof and Assignee's assumption of those obligations of Assignor under the Regulatory Agreement provided in Paragraph 2 hereof. Utah Housing hereby releases, acquits and discharges Assignor from any and all obligations, claims, causes of action, damages, liabilities and costs and expenses arising out of the obligations under the Regulatory Agreement first occurring from and after the Effective Date (other than those obligations arising from a Prior Noncompliance).

4. **Notice.** All correspondence and notices given or required to be given to the Project Owner under the Regulatory Agreement, from and after the Effective Date, shall be provided to the Assignee and shall be addressed as follows:

CR Timbergate Communities, LLC
c/o ColRich
444 West Beach Street, Suite 300
San Diego, California 92101

5. **Business Days.** As used herein "**business day**" shall mean any day other than Saturday, Sunday, any Federal holiday, or any holiday in the State in which the Property is located.

6. **Successors and Assigns.** This Assignment shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the respective parties hereto.

7. **Counterparts.** This Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

8. **Governing Law.** This Assignment shall be governed by, interpreted under, and construed and enforceable with, the laws of the State of Utah.

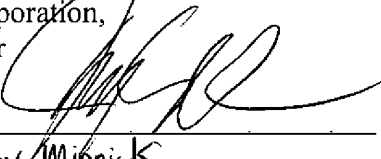
[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first written above.

ASSIGNOR:

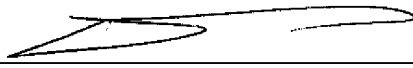
MILLER TIMBERGATE APARTMENTS, LLC,
a Utah limited liability company

By: Miller Development Company, Inc.,
a Utah Corporation,
its Manager

By: 
Name: Jay Minnick
Its: Chief Executive Officer

ASSIGNEE:

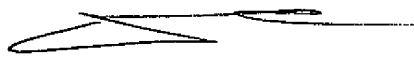
CR TIMBERGATE COMMUNITIES, LLC,
a Delaware limited liability company

By: 

Danny Gabriel, President

TIMBERGATE LINDA VISTA, LLC,
a Delaware limited liability company

By: GA Manager, LLC,
a Delaware limited liability company,
Manager

By: 

Danny Gabriel, Manager

UTAH HOUSING:

UTAH HOUSING CORPORATION,
a Utah public corporation

By: 
Name: Grant S. Whitaker
Its: President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Utah

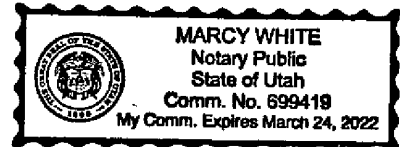
COUNTY OF Salt Lake

On February 11, 2019, before me, Marcy White, a Notary Public, personally appeared Jay Mimick, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Utah that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

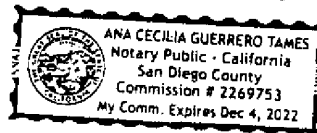
STATE OF California

COUNTY OF San Diego

On Feb 11, 2019, before me, Ana C. Guerrero James, a Notary Public, personally appeared Danny Gabriel, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument, and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Ana C. Guerrero James (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

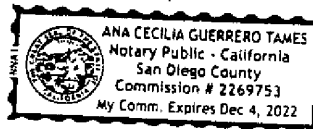
STATE OF California

COUNTY OF San Diego

On Feb 11, 2019, before me, Ana Guerrero James, a Notary Public, personally appeared Danny Gabriel, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument, and acknowledged to me that ~~he/she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Ana C. Guerrero James (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF UTAH

COUNTY OF SALT LAKE

On January 30, 2019, before me, Chelsea Hunt, a Notary Public, personally appeared Grant S. Whitaker, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Utah that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Chelsea Hunt (Seal)



EXHIBIT A

Legal Description

PARCEL 1:

Lot 102, 2 CREEK SUBDIVISION PLAT AMENDED AND EXTENDED, according to the official plat thereof recorded October 15, 2010 as Entry No. 11053661 in Book 2010P at Page 163 in the Salt Lake County Recorder's Office.

PARCEL 2:

Appurtenant Easements and the rights contained therein as granted by and through that certain STORM DRAIN EASEMENT dated December 18, 2008 and recorded December 19, 2008 as Entry No. 10582529 in Book 9666 at Page 5209 of Official Records, and being more particularly described as follows:

A non-exclusive easement for the discharge of storm waters through a storm water outfall line under the following real property:

Beginning at a point North 89°59'00" West 274.60 feet along the Section line and South 00°23'30" West 915.71 feet from the Northeast corner of Section 26, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running thence South 89°36'30" East 730.77 feet; thence South 00°23'30" West 20.00 feet; thence North 89°36'30" West 730.77 feet; thence North 00°23'30" East 20.00 feet to the point of beginning.

Also, beginning at a point South 89°53'31" East 331.48 feet along the Section line and South 939.17 feet from the Northeast corner of Section 26, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running thence South 89°36'30" East 30.00 feet; thence South 58.81 feet; thence North 78°21'35" West 30.63 feet; thence North 52.83 feet to the point of beginning.