

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

12821221  
7/31/2018 3:38:00 PM \$14.00  
Book - 10698 Pg - 8301-8303  
ADAM GARDINER  
Recorder, Salt Lake County, UT  
COTTONWOOD TITLE  
BY: eCASH, DEPUTY - EF 3 P.

86104-AU  
LOAN NO: HME1426

Space Above This Line For Recorder's Use

DEED RESTRICTION

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 30 day of July, 2018, by LIBERTY SQUARE PROPERTIES, 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:

A parcel of land situate within the Southeast quarter of Section 6, Township 1 South, Range 1 East, Salt Lake Base and Meridian, said parcel also situate within Lots 2 and 3, Block 32, Plat "B", Salt Lake City Survey, of official records on file with the Salt Lake County Recorder's office and being more particularly described as follows:

Beginning at the Northwest corner of said Lot 2, Block 32, Plat "B", Salt Lake City Survey, said point also being North 00°01'25" West, along the 600 East Street Monument line, a distance of 231.91 feet and North 89°58'35" East, perpendicular to said monument line, a distance of 69.35 feet, from the Salt Lake City monument at the intersection of 500 South and 600 East Street; and running thence North 89°59'42" East, along the lot line common to said Lots 2 and 3, a distance of 110.05 feet; thence North 00°00'29" West, a distance of 82.50 feet; thence North 89°59'42" East 220.11 feet, to the West line of Green Street, a 33 foot wide public roadway; thence South 00°00'37" East, along said East line, a distance of 247.59 feet, to the South line of said Block 32; thence South 89°59'28" West, along said South line, a distance of 199.86 feet; thence North 00°00'32" West, a distance of 107.31 feet; thence South 89°59'48" West, a distance of 130.31 feet, to the West line of said Block 32; thence North 00°00'29" West, along said West line, a distance of 57.79 feet, to the point of beginning.

TOGETHER WITH an easement for ingress and egress for vehicular and pedestrian uses and for the installation, maintenance, repair and replacement of current or future public and/or private utility lines and related facilities, over, under and through the West 110 feet of Lang Place, as disclosed by that certain Findings of Fact and Conclusions of Law and Order & Judgment Quieting Title recorded January 21, 2014 as Entry No. 11792399, in Book 10206, beginning at Page 4035 of official records, supplemented and corrected by that certain Affidavit recorded April 1, 2014 as Entry No. 11827021 in Book 10221, beginning at Page 182, amended by that certain Amended and Restated Access and Utility Easement dated June 8, 2018, and recorded June 8, 2018, as Entry No. 12787707 in Book 10682, beginning at Page 3892 of official records.

Tax Parcel No(s): 16-06-434-008, 16-06-433-007, 16-06-433-008, 16-06-434-006 and 16-06-433-019

New TIN (6-06-434-010)  
Subject Property is also known by property address: 630 E 500 S, Salt Lake City UT 84102.

## 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 1 studio, 2 one-bedroom, and 5 two-bedroom units. Due to the project's multilevel townhouse-style non-elevator building configuration, it is exempt from Type A fully accessible requirements of Federal Fair Housing/HOME regulations.

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.

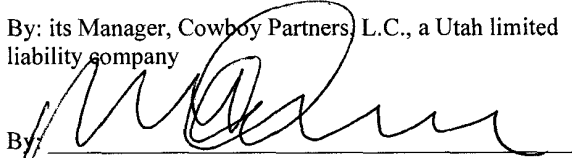
E. TERM

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.

Dated this 30 day of July, 2018.

LIBERTY SQUARE PROPERTIES, LLC, A UTAH  
LIMITED LIABILITY COMPANY,  
(Borrower)

By: its Manager, Cowboy Partners, L.C., a Utah limited  
liability company

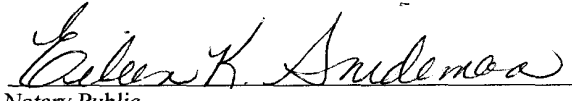
By:   
Name: Mark R. Cornelius  
Title: Vice President

STATE OF UTAH )

ss:

COUNTY OF SALT LAKE )

On the 30 day of JULY, 2018, personally appeared before me Mark R. Cornelius, who being by me duly sworn did say that he is the Vice President, of Cowboy Partners, L.C., 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

