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Page 1 of 14

Rhonda Francis Summit County Recorder

02/06/2024 02:07:55 PM Fee \$50.00

By AMERICAN HOMES 4 RENT, LP

Electronically Recorded

WHEN RECORDED, RETURN TO:

Helen E. Strachan

Deputy Summit County Attorney

Summit County Courthouse

60 North Main Street

Coalville, Utah 84017

Summit County Tax I.D. Parcels: See Exhibit A

**RESTRICTIONS
CONCERNING AFFORDABLE HOUSING UNITS
WITHIN SILVER CREEK VILLAGE CENTER
ELK SPRINGS SUBDIVISION SECTION 2**

THESE RESTRICTIONS CONCERNING AFFORDABLE HOUSING UNITS WITHIN SILVER CREEK VILLAGE CENTER, ELK SPRINGS SUBDIVISION SECTION 2 (hereinafter this “**Deed Restriction**”) governs the Workforce Units (as defined in the Workforce Housing Agreement (as defined below)) to be built on Lots 12, 20, 26, 29, 34, 38, 41, 49, 50, 51, 79, 85, 90, 91, and 108 (the “**ADU Lots**”), Elk Springs at Silver Creek Village Center Subdivision, according to the Final Plat thereof on file in Book 2690 of Plats, Page 1667, Official Records of Summit County, Utah (the “**Plat**”), and is made and entered into as of the 5 day of FEBRUARY, 2024 (the “**Effective Date**”) by American Homes 4 Rent TRS, LLC, a Delaware limited liability company (“**Owner**”) and Summit County, a political subdivision of the State of Utah (the “**County**”). The County and Owner may individually be referred to as a “**Party**” or collectively as the “**Parties**.”

Recitals

A. On or about August 4, 2015, the County entered into that certain Development Agreement for the Silver Creek Village Specially Planned Area, as amended (“the **Development Agreement**”) with Liberty Capital Lending, LLC and Gayle Larsen, the master developers of the Silver Creek Village Specially Planned Area. The Agreement was recorded on August 6, 2015 as Entry No. 1025271 (Book 2307, Page 1549) in the Office of the Summit County Recorder; and

B. The Development Agreement, per Section 5.2 “Affordable Housing Requirements,” requires the construction of Workforce Housing Unit Equivalent or “WUEs”, as that term is defined in the Development Agreement, subject to a number of requirements to ensure that the Workforce Units are oriented towards persons employed in the County and remain affordable to those employed in the County, in perpetuity, including sales beyond the original owner; and

C. Section 2.3.7 of the Development Agreement allows accessory dwelling units (an “**ADU**”), which are accessory residential buildings that are constructed on single-family lots that

exceed 4,500 square feet, to be constructed on the ADU Lots and count toward the WUE requirements; and

D. Subsequent to execution of the Development Agreement, the master developer transferred certain portions of the Silver Creek Village Specially Planned Area to other parties, including the transfer of certain parcels to Village Development Group Inc. (“VDG”); and

E. On or about August 25, 2021, the County and VDG entered into a workforce housing agreement setting forth specific timelines and details related to affordable housing requirements on the ADU Lots, including that all WUE’s to be developed thereon shall be designated and deed-restricted as workforce units pursuant to the terms of the Development Agreement. That workforce housing agreement was recorded on September 7, 2021 as Entry No. 1172567 (Book 2690, Page 1681) in the Office of the Summit County Recorder; and

F. On or about October 2, 2018, VDG recorded the Plat; and

G. VDG subsequently transferred the ADU Lots to Owner;

H. Owner and the County entered into that certain WORKFORCE HOUSING AGREEMENT (AMENDED) (Silver Creek Village: Elk Springs Subdivision: Section 2 Property) (the “**Workforce Housing Agreement**”), in which Owner proposed to construct Workforce Units on the ADU Lots. The Workforce Housing Agreement was recorded on December 12, 2023, as Entry No. 1213431 (Book 2803, Page 1498) in the Office of the Summit County Recorder. The ADU Lots are more particularly described in Exhibit A attached hereto; and

I. Owner and the County are exercising and recording this Deed Restriction to satisfy the terms of the Workforce Housing Agreement regarding the Workforce Units on the ADU Lots, intending that subsequent owners of the ADU Lots, and any portions thereof, be bound by its terms. Upon its recording in the public records of the County Recorder of Summit County, Utah, this Deed Restriction shall govern the terms and conditions of ownership, use, and occupancy of the ADU Lots and the Workforce Units by subsequent owners and their heirs, successors, executors, administrators, devisees and assigns as addressed herein.

Covenants and Restrictions

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties agree as follows, and Owner, as owner of the ADU Lots, hereby submits the ADU Lots to the following covenants and restrictions:

1. DEFINITIONS.

1.1. “**AMI**” means the Summit County Area Median Income for a household of four (regardless of the actual household size of the purchaser), as determined by the County with reference to the U.S. Department of Housing and Urban Development calculation of AMI, or other AMI calculation adopted by the County.

- 1.2. **“County”** means Summit County, a political subdivision of the State of Utah. Actions to be taken or decisions to be made by the County hereunder are to be taken or made by the Summit County Council or the department, employee or third-party designee selected by the County Council to carry out such responsibilities or to administer, generally, the affordable housing programs for the County.
- 1.3. **“Disability”** means a physical or mental impairment that substantially limits one or more of a person’s major life activities, including a person having a record of such an impairment or being regarded as having such an impairment.
- 1.4. **“Household”** means all related and unrelated individuals occupying a Workforce Unit as a Tenant.
- 1.5. **“Net Worth”** means the amount of total assets of the individuals or household that exceed total liabilities, as determined by the County. Total assets do not include funds in retirement accounts that have an early withdrawal penalty.
- 1.6. **“Notice”** means correspondence complying with the provisions of Section 12.1.
- 1.7. **“Owner”** means the transferee or transferees receiving title to, or a fee interest in the ADU Lot, including the Workforce Unit, and all subsequent person(s) vested with record title of the Workforce Unit according to the records of the County Recorder of Summit County, Utah. Owner shall not include a person who holds an interest in the Workforce Unit merely as security for the performance of an obligation.
- 1.8. **“Reasonable Efforts”** means good faith efforts to advertise a Workforce Unit through appropriate local means, including but not limited to advertising a Workforce Unit through all local newspaper publications. The County may establish standards for what constitutes Reasonable Efforts under this Deed Restriction.
- 1.9. **“Tenant”** means an occupant of a Workforce Unit other than an Owner.

2. OCCUPANCY REQUIREMENT

- 2.1. Qualified Household: Unless otherwise allowed in this Deed Restriction, the Workforce Unit on an ADU Lot shall at all times be occupied by Households on a for-rent basis (even if such ADU Lot is sold to a third party). Prior to entering into any lease agreement(s), the Household of the Workforce Unit shall be pre-qualified by Owner or its third-party designee (approved by the County), as meeting the income qualifications set forth in Section 2.2 below.
- 2.2. Income Qualifications: Subject to Section 2.5 below, the Workforce Unit shall at all times be occupied by Households, adjusted for Household size, earning less than or equal to 50% of AMI based upon the table in Exhibit B attached hereto (as amended annually by

the Department of Housing and Urban Development and published by the Utah Housing Corporation). In addition, the Household shall not have a Net Worth in excess of four (4) times the AMI at the time of reference.

2.3. **Process:** Income qualification shall adhere to the following process, which may be subject to additional policies or procedures adopted by the County.

2.3.1. Determine the number of adults and children (all Household members) to occupy the Workforce Unit.

2.3.2. Collect either 1040 Federal Tax Returns for the most recent year (or “transcript of tax returns” issued by the Internal Revenue Service) or current pay stub and/or projected income for all Household members generating income.

2.3.3. Add together the adjusted gross income for all Household members to determine the total Household income.

2.3.4. Review Exhibit B to determine whether total Household income is less than or equal to the income of a Household of the same size earning 50% of AMI.

2.4. **Workplace Priority:** In addition, Owner shall offer the Workforce Units to Households in accordance with the following guidelines (collectively, the “**Workplace Priority Guidelines**”):

2.4.1. with at least one person employed full time at a business or businesses (if multiple part-time jobs) located in Summit County. “Full time” is defined as working for a business or businesses located in Summit County a minimum of 1,560 hours per year (or approximately 30 hours per week), or if self-employed, the person must be registered as a business entity in the State of Utah, have a current Summit County business license, and provide substantial goods and/or services within Summit County; OR

2.4.2. with at least one person being a retired person who was a full-time employee of a business located within Summit County for at least two continuous years immediately preceding his or her retirement; OR

2.4.3. with at least one person unable to work due to a Disability.

2.5. **Rentals After “Reasonable Efforts” Made:** Owner shall use Reasonable Efforts to advertise the Workforce Unit for rental to Households earning less than or equal 50% of AMI based on Exhibit B and to Households that meet the Workplace Priority Guidelines in Section 2.4 above. If after ninety (90) days of using Reasonable Efforts, Owner is unable to enter into a rental agreement with a Household earning less than or equal to 50% of AMI and a Household that meets the Workplace Priority Guidelines in Section 2.4 above, Owner shall use Reasonable Efforts to offer the Workforce Unit to a Household earning less than 100% of the AMI (with no restrictions on the Household’s workplace (i.e. Section 2.4 above shall not apply)). If after one hundred and twenty (120) days of using Reasonable Efforts, Owner is unable to enter into a rental agreement with a Household earning less than 100% of the AMI (with no restrictions on the Household’s workplace (i.e. Section 2.4 above shall not apply)), Owner shall use Reasonable Efforts to

offer the Workforce Unit to a Household earning less than 140% of the AMI (with no restrictions on the Household's workplace (i.e. Section 2.4 above shall not apply)).

2.6. Rental Agreements with Tenants Earning Above 60% AMI: In no circumstances may a rental agreement with Tenants earning above 60% AMI extend the initial term of such rental agreement beyond a period of one (1) year, provided, however, that said total term of such rental agreement shall not exceed two (2) years.

2.7. Annual Qualification: Except as otherwise provided for in this Deed Restriction, Households shall meet the occupancy requirements set forth in this Section 2 on an annual basis, and Owner or Owner's third party designee (approved by the County) shall submit to the County sufficient evidence of same prior to renewal of the rental agreement, if applicable.

3. RENTING THE UNIT.

3.1. Maximum Permitted Rents: The maximum permitted rents shall be based on the Household size, the Household size's gross income and the number of bedrooms in the Workforce Unit. Permitted monthly rents shall be calculated using the AMI figures set annually by HUD as initially set forth in Exhibit C. Household size corresponds to the number of bedrooms in the Workforce Units as follows:

3.1.1. One-bedroom unit: use the income limit for a two-person household.

3.1.2. Two-bedroom unit: use the income limit for a three-person household.

3.2. The permitted rental amount includes the following:

3.2.1. Use and occupancy of the Workforce Unit and the associated land and facilities;

3.2.2. Any separately charged fees and service charges assessed by Owner, but is not to include security deposits;

3.2.3. Unless subject to Section 3.3 below, utilities including garbage collection, sewer, water, electricity, gas and other heating, cooking, and refrigeration fuels but not to include telephone service, cable television, or high-speed modem; and

3.2.4. Possessory interest taxes or other fees and charges assessed for use of the associated land and facilities by a public or private entity other than Owner.

3.3. Utility Allowance: The permitted rental amount includes rent and utilities. If Owner pays all utilities then the full rent may be charged. If the Tenant pays all or some of the utilities a "utility allowance" shall be determined and rents shall be reduced by the amount of the utility allowance. The utility allowance shall initially be determined by a qualified third party rater who shall estimate charges for gas, electric, sewer and water for the Workforce Unit based upon a complete set of building plans presented to him or her by Owner. The County shall approve the third-party rater and the utility allowance. In subsequent years, commencing in the year following the first complete year of occupancy, Owner shall provide copies of actual billings for utility providers for at least

five (5) occupied units to the County so that a new annual utility allowance can be determined and set.

- 3.4. Rental Period: The Workforce Unit shall not be rented nightly or weekly. The minimum rental length shall be ninety (90) days.
- 3.5. Single Room Occupancy. The County may, at its sole discretion, allow the rental of a single bedroom or bedrooms within the Workforce Unit to the Owner's family members or to non-family members employed at businesses located in Summit County, including seasonal employees. Such room rental shall be on the same terms as provided in Section 3.1 except that family members need not be income qualified, and the rental rate charged shall not exceed the proportional share (by bedroom, e.g., 1 bedroom in a 2 bedroom Workforce Unit = 50%) of the rent allowed under Section 3.1. In considering whether to allow the rental of a single bedroom or bedrooms, the County shall take into account any impacts such rental may have on the area, including impacts on parking, traffic or other issues related to the use and enjoyment of owners of neighboring properties or in the community as a whole. The approval of any such rental may be made with conditions that are enforceable by the County as if they were included in this Deed Restriction. Note that approval of a room rental under this Section does not constitute approval by the Silver Creek Village Owners Master Association or of any health and safety related regulations that may apply.

The rental of the Workforce Unit to a Tenant who is not income qualified and/or who does not meet the Workplace Priority Guidelines set forth in this Section 2 does not limit the applicability of this Deed Restriction in any way with respect to such Tenant's use, occupancy and subsequent leases of the Workforce Unit.

4. **PARKING**. Each Workforce Unit shall be entitled to, at a minimum, two off-street parking spaces located on the ADU Lots.
5. **SELLING THE WORKFORCE UNIT**.
 - 5.1. The Workforce Units may not be sold separate from the ADU Lots, including the single-family primary dwelling unit on the ADU Lot. The Workforce Units on the ADU Lots shall at all times remain rental Workforce Units and shall not be converted to for sale Workforce Units. Likewise, the Workforce Unit shall not be condominiumized. Notwithstanding the foregoing or anything to the contrary contained in this Deed Restriction, the Workforce Housing Agreement and/or Development Agreement, Owner shall be permitted to transfer or convey the ownership of such ADU Lot to any third party whatsoever at any market rate; provided, however, such Workforce Unit on the ADU Lot shall at all times be marketed to and/or occupied by a Household as a Tenant in accordance with this Deed Restriction.
 - 5.2. Owners shall provide prospective buyers of the ADU Lots actual notice that the ADU Lot contains a Workforce Unit that is subject to this Deed Restriction.

6. **REPORTING AND COMPLIANCE.** Owner shall keep accurate and complete records of all Tenants. Owner shall provide to the County approximately twice annually in April and November, a quarterly rent roll showing each Tenant(s) name, rent charged, Household gross income, name(s) and location(s) of employment, term of lease and other information related to eligibility requested by the County from time-to-time. The County may request additional documentation from the Owner to demonstrate compliance. The County shall have the right to audit Owner's Tenant files at least annually upon ten (10) days advanced written notice to Owner.

7. **MAINTENANCE OF WORKFORCE UNIT & INSURANCE.**

7.1. Minimum Maintenance Standards. Each Workforce Unit shall at all times be maintained in good, safe, and habitable condition in all respects, normal wear and tear excepted, and in full compliance with all applicable laws, ordinances, rules and regulations of any authority having jurisdiction over the Workforce Unit.

7.2. Insurance. Owner shall continuously insure the Workforce Unit against all risks of physical loss for the full replacement cost of the Workforce Unit.

8. **DEFAULT AND REMEDIES.**

8.1. Default. In the event of a breach of any of terms of this Deed Restriction by the Owner with respect to the Workforce Unit, the County shall be entitled to injunctive relief, or to any other remedy available at law or in equity for such breach, including the specific remedies enumerated herein. The prevailing Party in any dispute hereunder shall be entitled to recover their reasonable attorneys' fees and costs incurred in connection with such dispute, regardless of whether litigation is pursued by either Party.

8.2. Violation of Criminal Code. In addition to the remedies contained herein, Owner, Tenant(s) and other individuals dealing with the transfer and/or management of the Workforce Unit (including lenders, Realtors, attorneys and title professionals) may be subject to the provisions of Summit County Code §5-2-7: Affordable Housing Fraud (as may be amended or replaced).

9. **TERM.** This Deed Restriction shall continue in full force and effect for 60 years after the date of the issuance of the Certificate of Occupancy for the Workforce Unit (and automatically extended for five (5) year periods thereafter) unless terminated sooner by the mutual agreement of Owner and the County (the "Term").

10. **CHOICE OF LAW.** This Deed Restriction shall be governed and construed in accordance with the laws of the State of Utah, without giving any effect to the principles of the conflicts of laws.

11. **RECORDING AND COVENANTS TO RUN WITH THE LAND.**

11.1. Recordation. Upon execution by the County, this Deed Restriction shall be recorded and filed in the Official Records of Summit County, Utah.

11.2. Covenants Run with the Land. The County intends, declares and covenants, on behalf of itself and all future Owners, that this Deed Restriction and the covenants and restrictions set forth herein, regulating and restricting the rents, use, occupancy and transfer of a Workforce Unit shall be covenants running with the land and improvements constituting the Workforce Unit, for the benefit of the County, shall encumber the Workforce Unit, and shall be binding upon the County and all subsequent Owners of the ADU Lot and the Workforce Unit.

12. MISCELLANEOUS.

12.1. Notice.

12.1.1. Any and all notices or demands to Owner or person(s) required or desired to be given hereunder shall be in writing and shall be validly given or made if (a) deposited in the U.S. mail, certified or registered, postage prepaid, return receipt requested, (b) sent by commercial courier keeping records of deliveries and attempted deliveries, or (c) via hand delivery with signed acknowledgment of receipt by a person of suitable age and discretion. Service by U.S. mail or courier shall be conclusively deemed made on the first business day delivery is attempted. Any notice or demand to the Owner shall be addressed to:

“Owner”
American Homes 4 Rent TRS, LLC
Attn: Sam Barlow and Helen Cho
23975 Park Sorrento, Suite 300
Calabasas, California 91302

12.1.2. Any and all notices or demands to the County shall be in writing and shall be served by (a) mail or commercial courier provided to the Summit County Clerk or his/her authorized agent authorized by appointment or by law to receive service by signing a document indicating receipt or (b) via hand delivery with signed acknowledgment of receipt by the Summit County Clerk or his/her authorized agent authorized by appointment or by law. Service shall be complete on the date the receipt is signed. Any notice or demand to the County shall be addressed to:

Summit County Clerk
P.O. Box 128
Coalville, Utah 84017

With a copy to:

Summit County Attorney
P.O. Box 128
Coalville, Utah 84017


- 12.1.3. The Parties may change their respective addresses for the purpose of receiving notices or demands as herein provided by Notice given in the manner aforesaid to the others, which notice of change of address shall not become effective, however, until the actual receipt thereof by the others or the recording of a change of address by the County.
- 12.2. Conflict of Forms. If there are any conflicting provisions or terms between this Deed Restriction, the Development Agreement, and the Workforce Housing Agreement, the terms and provisions of this Deed Restriction shall govern.
- 12.3. Paragraph Headings. Paragraph or section headings within this Deed Restriction are inserted solely for convenience of reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.
- 12.4. Gender and Number. Whenever the context so requires herein, the neuter and gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.
- 12.5. Exhibits: The Parties understand and agree that Exhibit B and Exhibit C to this Deed Restriction are based upon 2023 HUD AMI which is annually updated by the Department of Housing and Urban Development and as such Exhibit B and Exhibit C shall be amended annually to reflect changes in AMI.
- 12.6. Modifications. Any modification of this Deed Restriction shall be effective only when made by writings signed by the County and the Owner and recorded in the Official Records of Summit County, Utah.
- 12.7. Incorporation of Recitals. The recitals set forth at the beginning of this Deed Restriction are incorporated herein by this reference.
- 12.8. Binding Agreement. This Deed Restriction shall be binding upon the successor and assigns of the Parties hereto.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Deed Restriction as of the Effective Date.

OWNER:

AMERICAN HOMES 4 RENT TRS, LLC,
a Delaware limited liability company

By: 
Name: Helen Cho
Its: VP - Real Estate Transactions

SUMMIT COUNTY:

By:  2/5/2024
Shayne Scott, County Manager

APPROVED AS TO FORM:


Helen E. Strachan, Deputy County Attorney

(notary acknowledgments on next page)

Notary Acknowledgments

STATE OF California
COUNTY OF Los Angeles

On this 30 day of January, 2024, this Deed Restriction was acknowledged before me by Helen Cho, the Vice President of American Homes 4 Rent TRS, LLC, a Delaware limited liability company, for and on behalf of the company.

Christopher Wiecek

Notary Public



STATE OF UTAH
COUNTY OF SUMMIT

On this 5 day of FEBRUARY, 2024, this Deed Restriction was acknowledged before me by Shayne Scott, County Manager of Summit County.

Shayne Scott
Notary Public

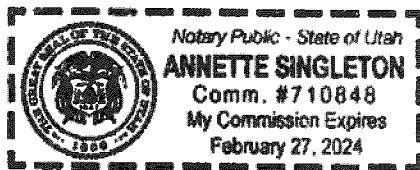


EXHIBIT A

Legal Description of the ADU Lots

Lots 12, 20, 26, 29, 34, 38, 41, 49, 50, 51, 79, 85, 90, 91 and 108 of Elk Springs at Silver Creek Village Center Subdivision, according to the final plat thereof on file in Book 2690 of Plats, page 1667, Official Records of Summit County.

Summit County Tax I.D. Parcels

ESSCVC-12
ESSCVC-20
ESSCVC-26
ESSCVC-29
ESSCVC-34
ESSCVC-38
ESSCVC-41
ESSCVC-49
ESSCVC-50
ESSCVC-51
ESSCVC-79
ESSCVC-85
ESSCVC-90
ESSCVC-91
ESSCVC-108

EXHIBIT B

2023 INCOME QUALIFICATION TABLE
(AS AMENDED ANNUALLY BY HUD)

2023 Summit County AMI = \$148,600		30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	100% AMI	140% AMI
Workforce Unit Type	Occupancy								
1 Bedroom	2	\$33,990	\$45,320	\$56,650	\$67,980	\$79,280	\$90,640	\$118,900	\$166,460
2 Bedroom	3	\$38,250	\$51,000	\$63,750	\$76,500	\$89,240	\$102,000	\$133,700	\$187,180

EXHIBIT C

**2023 MAXIMUM PERMITTED MONTHLY RENTS
INCLUDING UTILITIES BY MEDIAN INCOME
(AS AMENDED ANNUALLY BY HUD)**

2023 Summit County AMI = \$148,600		30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	100% AMI	140% AMI
Workforce Unit Type	Occupancy								
1 Bedroom	2	\$849.75	\$1,133.00	\$1,416.25	\$1,699.50	\$1,982.00	\$2,266.00	\$2,972.50	\$4,161.50
2 Bedroom	3	\$956.25	\$1,275.00	\$1,593.75	\$1,912.50	\$2,231.00	\$2,550.00	\$3,342.50	\$4,679.50