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RASHELLE HOBBS
Recorder, Salt Lake County, UT
FIRST AMERICAN NCS
BY: eCASH, DEPUTY - EF 9 P.

WHEN RECORDED, MAIL TO:

Redevelopment Agency of Salt Lake City
Attn: Chief Operating Officer
451 South State Street, Room 418
Salt Lake City, Utah 84111

FATCO NCS-785818-ai
FPNs:
15-01-129-029-0600
15-01-129-041-0600

RESTRICTIVE USE AGREEMENT

This Restrictive Use Agreement (“**Agreement**”) is made and entered into as of May 31, 2019 (“**Effective Date**”), by and between Redevelopment Agency of Salt Lake City, a public agency (“**RDA**”) and Paperbox Developers, LLC a, a Utah limited liability company (“**Owner**”). RDA and Owner may be referred to individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

A. Pursuant to that certain Option to Purchase Agreement dated April 21, 2017, as amended (“**OPA**”), RDA conveyed to Owner certain real property located at 340 West 200 South, Salt Lake City, Utah as more particularly described on **Exhibit A** (the “**Property**”). Owner desires to develop the Property for a mixed use project, including certain affordable rental housing units (the “**Project**”).

B. The Project includes thirty-nine (39) rental units (the “**Units**”) for which the annualized rent per dwelling unit does not exceed 30% of the annual income of a family whose annual income equals 60% or less of the Area Median Income (“**AMI**”) for Salt Lake County, as determined by the U.S. Department of Housing and Urban Development.

C. At the time the Parties executed the OPA, the fair market value for the Property was Three Million Two Hundred Twenty Thousand Dollars (“**Property Value**”).

D. RDA agreed to write-off the Property Value and conveyed the Property to Owner for Zero Dollars, but only upon Owner’s commitment to execute this Agreement and a deed of trust (“**Deed of Trust**”) securing this Agreement which will amortize the Property Value over the Term (defined below).

E. As a condition to conveying the Property to Owner for the Project, Owner agrees to certain restrictive covenants governing the use of the Property as described herein during the Term, defined below, of this Agreement. RDA would not have conveyed the Property to Owner if Owner had not executed this Agreement.

AGREEMENT

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Restrictive Conditions and Covenants:** In consideration of the RDA conveying the Property, Owner agrees for itself, its successors and assigns, to fully comply with the following restrictive conditions and covenants:

(a) **Rental Units.** In the Project, Owner shall provide and maintain the Units, which shall be studio, one-bedroom, and two-bedroom units. The Units are specifically listed on **Exhibit B**, attached hereto.

(b) **Income Restrictions.** The Units will be income restricted for households earning 60% or below of the AMI.

(c) **Rent Restrictions.** The annualized rent per unit shall not exceed 30% of the annual income of a household earning 60% or below of the AMI.

(d) **Report.** Owner will provide an initial report demonstrating compliance with affordability requirements at full occupancy and provide annual affordability documentation each year, no later than thirty (30) days subsequent to December 31, being the end of the reporting year, during the Term. In addition, at any time during the Term, upon written request by the RDA, Owner shall provide RDA with evidence satisfactory to RDA of Owner's compliance with this Agreement and the use restrictions described herein.

2. **Default and Remedies.** In the event of a default of any of Owner's obligations under this Agreement, Owner shall have thirty (30) days to cure such default following written notice of the default from RDA to Owner. Following an uncured default, RDA shall be entitled to exercise any and all rights available under the Deed of Trust, and at law or in equity, including, without limitation, the remedy of specific performance to require the Property to be used and operated as required hereunder. Additionally, RDA shall be entitled to recover from Owner any and all costs and expenses incurred by RDA in enforcing the terms and conditions of this Agreement, including RDA's reasonable attorney fees.

3. **Term and Termination.** The term of this Agreement shall be for thirty (30) consecutive years from the Effective Date (the "**Term**"). At the expiration of the Term this Agreement shall automatically terminate without the need for any further action on the part of the Parties.

4. **Runs with the Land.** This Agreement and the covenants and restrictions herein are binding and run with the land during the Term, such that any subsequent owners of fee title or other third parties holding an interest in and to all or some portion of the Property shall be deemed to have acquired such interest with notice and knowledge of this Agreement such that the Property shall remain subject to the terms, conditions, restrictions and provisions set forth herein. In keeping with the foregoing, the term "Owner", as used herein, shall be construed to mean and include any successors in interest to fee ownership of all or any portion of the Property and any other holders of interests in and to any portion of the Property. RDA shall be deemed a beneficiary of such Agreement, covenants, and restrictions, and in the event of any uncured default, shall have the right to exercise all the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such default to which beneficiaries of such covenants may be entitled.

5. **General Provisions.**

(a) **Governing Law.** This Agreement is intended to be performed in the State of Utah, and the laws of Utah shall govern the validity, construction, enforcement, and interpretation of this Agreement, unless otherwise specified herein.

(b) Entirety and Amendments. This Agreement embodies the entire agreement between the Parties and supersedes any prior agreements and understandings, if any, relating to the Property or any portion thereof and may be amended or supplemented only by an instrument in writing executed by both RDA and Owner.

(c) Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

(d) Further Acts. In addition to the acts and deeds recited herein and contemplated to be performed, executed and delivered by RDA and Owner, RDA and Owner agree to perform, execute and deliver or cause to be performed, executed, and delivered any and all such further acts, deeds and assurances as may be necessary to consummate the transactions contemplated hereby.

(e) No Presumption. This Agreement shall be interpreted and construed only by the contents hereof and there shall be no presumption or standard of construction in favor of or against either Party.

(f) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all such counterparts shall constitute one and the same instrument.

(g) Incorporation of Recitals. The recitals set forth above are hereby incorporated into this Agreement and the matters therein are acknowledged by the Parties hereto to be true and correct in all material respects

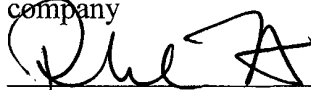
(h) Representation Regarding Ethical Standards. Owner represents that it has not: (1) provided an illegal gift or payoff to a Salt Lake City Corporation (“City”) officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in the Salt Lake City’s conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in Salt Lake City’s conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

[Remainder of page intentionally left blank.]

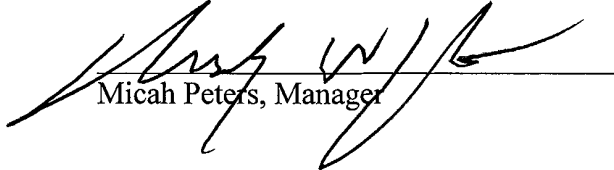
IN WITNESS WHEREOF, the Parties have entered into this Agreement to be effective as of the Effective Date.

OWNER:

Paperbox Developers, LLC, a Utah limited liability company



Rob Fetzer, Manager



Micah Peters, Manager

RDA:

Redevelopment Agency of Salt Lake City, a public agency

Jacqueline M. Biskupski, Executive Director

ATTEST:
Salt Lake City Recorder's Office

APPROVED AS TO FORM:
Salt Lake City Attorney's Office

City Recorder

Katherine N. Lewis, Senior City Attorney

Date _____

IN WITNESS WHEREOF, the Parties have entered into this Agreement to be effective as of the Effective Date.

OWNER:

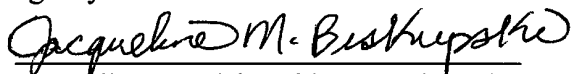
Paperbox Developers, LLC, a Utah limited liability company

Rob Fetzer, Manager

Micah Peters, Manager

RDA:

Redevelopment Agency of Salt Lake City, a public agency



Jacqueline M. Biskupski, Executive Director

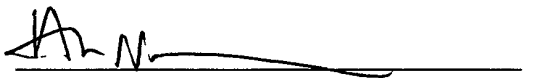
ATTEST:

Salt Lake City Recorder's Office

City Recorder

APPROVED AS TO FORM:

Salt Lake City Attorney's Office

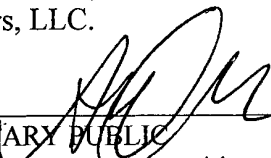


Katherine N. Lewis, Senior City Attorney

Date 5/23/19

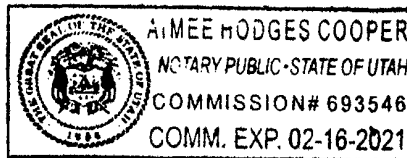
State of Utah :
SS
County of Salt Lake :

The foregoing instrument was acknowledged before me on MAY 23, 2019 by Rob Fetzer as Manager of Paperbox Developers, LLC.

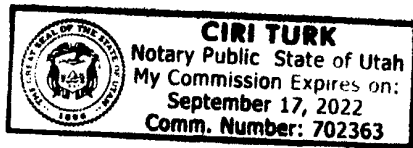


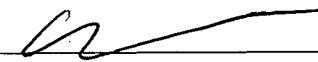
NOTARY PUBLIC
Residing at: PROVO, UT
My Commission Expires: 02-16-2021

State of Utah :
SS
County of Salt Lake :



The foregoing instrument was acknowledged before me on May 23, 2019 by Micah Peters as Manager of Paperbox Developers, LLC.





NOTARY PUBLIC
Residing at: Salt Lake City, UT
My Commission Expires: 9-17-22

State of Utah :
SS
County of Salt Lake :

The foregoing instrument was acknowledged before me on _____, 2019 by Jacqueline M. Biskupski as Executive Director of the Redevelopment Agency of Salt Lake City.

NOTARY PUBLIC
Residing at: _____
My Commission Expires: _____

State of Utah :
SS
County of Salt Lake :

The foregoing instrument was acknowledged before me on _____, 2019 by Rob Fetzter as Manager of Paperbox Developers, LLC.

NOTARY PUBLIC
Residing at: _____
My Commission Expires: _____


State of Utah :
SS
County of Salt Lake :

The foregoing instrument was acknowledged before me on _____, 2019 by Micah Peters as Manager of Paperbox Developers, LLC.

NOTARY PUBLIC
Residing at: _____
My Commission Expires: _____

State of Utah :
SS
County of Salt Lake :

The foregoing instrument was acknowledged before me on May 23, 2019 by Jacqueline M. Biskupski as Executive Director of the Redevelopment Agency of Salt Lake City.



NOTARY PUBLIC
Residing at: Salt Lake County
My Commission Expires: 10/25/2021

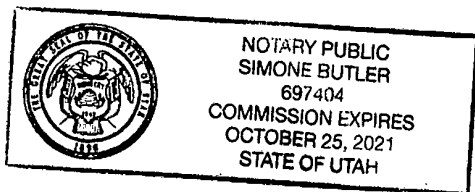


EXHIBIT A

PROPERTY DESCRIPTION

That certain real property located at 340 West 200 South in Salt Lake County, Utah more particularly described as follows:

BEGINNING AT A POINT 100 FEET EAST AND NORTH 0°03'48" WEST 178.4 FEET FROM THE SOUTHWEST CORNER OF BLOCK 66, PLAT "A", SALT LAKE CITY SURVEY; AND RUNNING THENCE NORTHWESTERLY ON A CURVE TO THE RIGHT (RADIUS BEING 173.8 FEET) 120.76 FEET; THENCE SOUTH 89°58'19" WEST 14.28 FEET; THENCE NORTH 70 FEET; THENCE EAST 660 FEET; THENCE SOUTH 130 FEET; THENCE WEST 395 FEET; THENCE SOUTH 21.6 FEET; THENCE WEST 165 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

**LIST OF INCOME-RESTRICTED UNITS
FOR HOUSEHOLDS EARNING 60% OR BELOW OF AMI**

Unit Number	Unit Type	Unit Number	Unit Type
1210	2-Bedroom	2109	2-Bedroom
1205	1-Bedroom	2110	1-Bedroom
1204	1-Bedroom	2212	1-Bedroom
1209	Studio	2202	1-Bedroom
1213	1-Bedroom	2204	1-Bedroom
1217	Studio	2211	Studio
1313	1-Bedroom	2310	2-Bedroom
1309	2-Bedroom	2305	1-Bedroom
1304	1-Bedroom	2304	1-Bedroom
1308	Studio	2313	Studio
1415	2-Bedroom	2306	Studio
1409	2-Bedroom	2412	1-Bedroom
1404	1-Bedroom	2410	2-Bedroom
1403	1-Bedroom	2405	1-Bedroom
1408	Studio	2404	1-Bedroom
1412	1-Bedroom	2413	Studio
1416	Studio	2406	Studio
1509	2-Bedroom	2510	2-Bedroom
1504	1-Bedroom		
1503	1-Bedroom		
1508	Studio		