

AFFORDABLE HOUSING PLAN AGREEMENT (SAWMILL PLANNED COMMUNITY)

This Affordable Housing Agreement (“**Agreement**”) is entered into this ___ day of April 2021, among the Wasatch County Housing Authority (“**WCHA**”), Heber City Corporation, a municipality of the State of Utah (“**City**”); Ridgepoint Management Group, LLC, a Utah limited liability company (“**Developer**”); and Robbin Red, LLC (“**Owner**”).

RECITALS

WHEREAS, Developer is the original developer of the Sawmill Planned Community, (“**Sawmill**” or “**Property**”) located in Heber City, Wasatch County, State of Utah, as more particularly described on Exhibit “A” to this Agreement; and

WHEREAS, the Sawmill Master Development Agreement (the “**MDA**”) requires that developers provide affordable housing units (“**AHUs**”) equaling ten percent (10%) of the number of residential units approved and allocated by the City with respect to a development project; and

WHEREAS, the City and Developer entered into a Development Agreement governing the development of a portion of the Property into a residential subdivision containing six hundred twenty-two residential units (each, a “**Lot**”) which Development Agreement was recorded in the Office of the Wasatch County Recorder’s Office (the “**Recorder’s Office**”) on March 6, 2018 as Entry No. 449000, Book 1216, Pages 1644-1723; and

WHEREAS, Developer desires to satisfy the Affordable Housing Ordinance by constructing sixty-two (62) owner occupied units, each one containing an accessory apartment “Accessory Dwelling Unit” (“**ADU**”) within Sawmill Phase 5 (61units) as set forth on Exhibit “B” to this Agreement and Phase 2B (1 unit); and

WHEREAS, Developer desires to satisfy the Affordable Housing Requirements of the Sawmill MDA with the terms and provisions of this Agreement,

NOW THEREFORE, in consideration of the mutual recitals, covenants and promises described above and otherwise contained herein, the sufficiency of which is expressly acknowledged by the Parties to this Agreement, the Parties now enter into the following:

AGREEMENT

1. **Incorporation of Recitals and Agreement:** The Recitals set forth above are incorporated into the body of this Agreement. This Agreement is incorporated into the Development Agreement.
2. **Definitions:** Any undefined capitalized word or term used in this Agreement shall have the meaning set forth in the Heber City Code and the Development Agreement. In the event of a conflict, the meaning shall be controlled first, by this

Agreement, second by the Development Agreement and third, by the Heber City Code.

3. **Standards for Construction:** The standards for construction of the AHUs set forth in Section 18.102.060 of the City Code shall be satisfied as follows:
- a. The AHUs shall be built to blend with the residences adjacent to the AHU's within Sawmill.
 - b. The AHUs shall be designed to be reasonably consistent or compatible with the design of Sawmill in terms of appearance, materials and finished quality.
 - c. Each ADU shall be designed for a family of two.
 - d. 61 of the AHUs shall be built within Sawmill Phase 5.
 - e. 1 additional AHU will be constructed in phase 2B. A separate deed restriction will be recorded with the 2B Plat for the 1 AHU.
 - f. The AHUs will offer an Accessory Dwelling Unit (ADU) one-bedroom apartment within the AHU.
 - g. Each ADU shall be restricted and limited to rental rates NOT TO EXCEED the allowable housing expense requirement for those whose income is sixty percent (60%) or less of median income for Wasatch County ("Very Low Income"). The rents charged for an ADU shall meet the Allowable Housing Expense requirement under Subsections 18.102.110 (B) and (D) of the City Code, which require housing to cost no more than thirty percent (30%) of such family's household income to qualify as Affordable Housing. The Developer shall provide written notice to each purchaser of the limit of rental income, along with the calculation of rent per 3(f)(i) below.
 - i. When Developer, subsequent owner of the property, (or a Non-Qualified Occupant) rents the ADU, such monthly rent will be calculated by determining sixty percent (60%) of the Median Family Income for a family of 2 in Wasatch County, Utah, as published by the Department of Housing and Urban Development ("HUD") multiplied by 30%, which total is divided by 12 (the number of months per year). Such amount shall be adjusted for the estimated cost of the household obtaining basic public utilities. By way of example, the current area median income for a Wasatch County family of two as published by HUD in 2020 equals \$70,720. The monthly rent for an AHU would therefore equal: $(.6 \times \$70,720 \times .3) / 12 = \$1,060.80$ adjusted for the cost of basic public utilities.

- ii. In compliance with the Development Agreement, the limit on monthly rent amounts on ADU's in Phase 5 and one (1) unit in phase 2B shall follow the HUD calculation in 3(f)(i).
 - iii. All renters of the Affordable ADU shall be approved by the Wasatch County Housing Authority prior to execution of the lease for their respective units.
 - iv. Each ADU is subject to inspection by the Wasatch County Housing Authority to determine ongoing compliance with the rental rates outlined in this Agreement.
 - v. Short-Term Rentals are not permitted within the ADU's identified in this Agreement.
4. **Developer's Obligations:** Developer agrees to meet its obligations under the City's Affordable Housing Ordinance as follows:
- a. The portion of the Property to be developed as a residential housing development is comprised of 85.5 acres and is vested with the PCMU Zone as set forth in Heber City Code Section 18.62.
 - b. Under the Development Agreement, Developer has been granted the right to develop and improve such portion of the Property with no more than six hundred twenty-two (622) residential units. Under the City Affordable Housing Ordinance, ten percent (10%) of the ERUs are required to be designated as AHUs. An ERU "means one residential ERU is equivalent to one dwelling unit." Each ADU shall be designed for and limited to (2) residents and vary from approximately 350 square feet to 500 square feet and contain 1 bedroom, 1 bathroom, kitchen and living space.
 - c. The ADUs shall be comprised of sixty-one (61) owner occupied accessory apartments within Sawmill Phase 5 and one (1) unit in Phase 2B (collectively, the "ADU Units").
 - d. Sample Copies of plans for the AHUs are attached as Exhibit "C" to this Agreement.
5. **Assistance of City/County Employees.** Per the Development Agreement signed between the City and Developer, Developer and or Assigns shall donate or discount up to five percent (5%) of the total gross sales price of any residential property within the Sawmill project, to qualifying City or Wasatch County employees, policemen, firemen, and educators employed by Heber City and Wasatch County ("Civil Employee"), for housing authority assistance in conjunction with their purchase of any residential property within Sawmill ("Discounted Property"). The Developer or Owner shall not discriminate against any Civil Employee or potential

Civil Employee but shall work in good faith with all buyers and potential buyers, including without exclusion the Civil Employee.

- a. Such discount or donation must be used by the qualifying Civil Employee in connection with their purchase of the Discounted Property..
 - b. Qualification and Approval of the Civil Employee's status, and the specific amount of the assistance donation to the qualifying Civil Employee shall be determined by the WCHA.
 - c. After qualification by the WCHA, and upon closing of the Discounted Property described in 5(a) above, the title company shall record a notice of interest on the Discounted Property that shall state the percentage of donation discount contributed, or allowed by Developer, Owner or Assigns, and indicate in the event the Civil Employee sells the Discounted Property within five (5) years of the purchase of the home, up to five percent of the gross sales price of the Discounted Property shall be donated to the WCHA, equal to the percentage discount amount the Employee received at time of closing.
6. **Deed Restriction.** The Parties agree and covenant that each AHU shall be subject to a deed restriction ("Deed Restriction"), which shall memorialize the terms set forth in this Agreement and shall be recorded on the records of the Wasatch County Recorder's Office on each AHU. A copy of the Deed Restriction, in substantive form, has been attached hereto as Exhibit "D". The Parties agree and covenant that the City and/or the WCHA and Developer can execute and record the Deed Restriction on each of the 62 AHUs concurrent with or at any time after the recordation of the required plat containing the AHUs. The Developer irrevocably agrees and consents to the recordation of the Deed Restriction on each AHU by the City and or WCHA and will execute the prepared Deed Restriction within twenty four (24) hours of written request from WCHA and/or City. The Developer shall be responsible for recordation expenses associated with each Deed Restriction, if applicable. The contents of this paragraph shall survive termination of this Agreement.
7. **Satisfaction of Affordable Housing Requirements:** Performance of the Developer's obligations under this Agreement satisfies the Developer's obligation to provide affordable housing under the Heber City Code as applied to the development of the Property.
8. **Remedies:** Failure by the Developer to perform in accordance with this Agreement will constitute failure to satisfy the City's affordable housing requirements. In the event of default by the Developer, the City shall have authority to exercise any and all remedies available at law or in equity.

9. **Entire Agreement:** This Agreement constitutes the entire Agreement between the Parties and no modification shall be binding unless reduced to writing and signed by the Parties hereto.
10. **Successors:** This Agreement shall run with the land described as Sawmill Phase 5 described in Exhibit "B" hereto.
11. **Severability:** In the event any provision of this Agreement is held invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

IN WITNESS WHEREOF, the Parties have hereunto set their hands this 29th day of April, 2021.

RIDGEPOINT MANAGEMENT GROUP, LLC

[Handwritten signature]

By: Heath Johnston
Title: Manager

State of Utah)

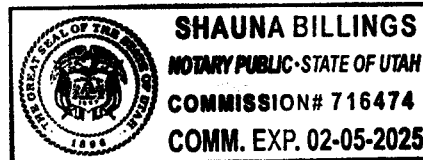
:SS

County of Utah)

On the 4th day of ~~April~~ ^{May}, 2021, personally appeared before me Heath Johnston, who being by me duly sworn, did say, that he/she/they/ is/are a Member(s) Manager(s) of Ridgepoint Management Group, LLC, a limited liability company, and that said instrument was signed in behalf of said company by authority of statute, its articles of organization or its operating agreement, and that the said Heath Johnston acknowledged to me that said limited liability company executed the same.

Witness my hand and official seal.

[Handwritten signature]
Notary Public



ROBBIN RED, LLC

[Handwritten signature]

By: Ryan Poelman
Title: Manager

State of Utah)

:SS

County of Utah)

On the 4th day of ~~April~~ ^{May}, 2021, personally appeared before me Ryan Poelman, who being by me duly sworn, did say, that he/she/they/ is/are a Member(s) Manager(s) of ROBBIN RED, LLC, a limited liability company, and that said instrument was signed in behalf of said company by authority of statute, its articles of organization or its operating agreement, and that the said Ryan Poelman acknowledged to me that said limited liability company executed the same.

Witness my hand and official seal.

[Handwritten signature]
Notary Public

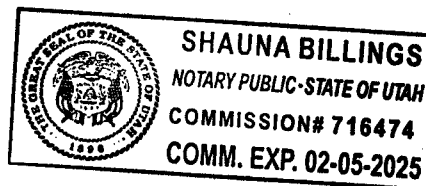
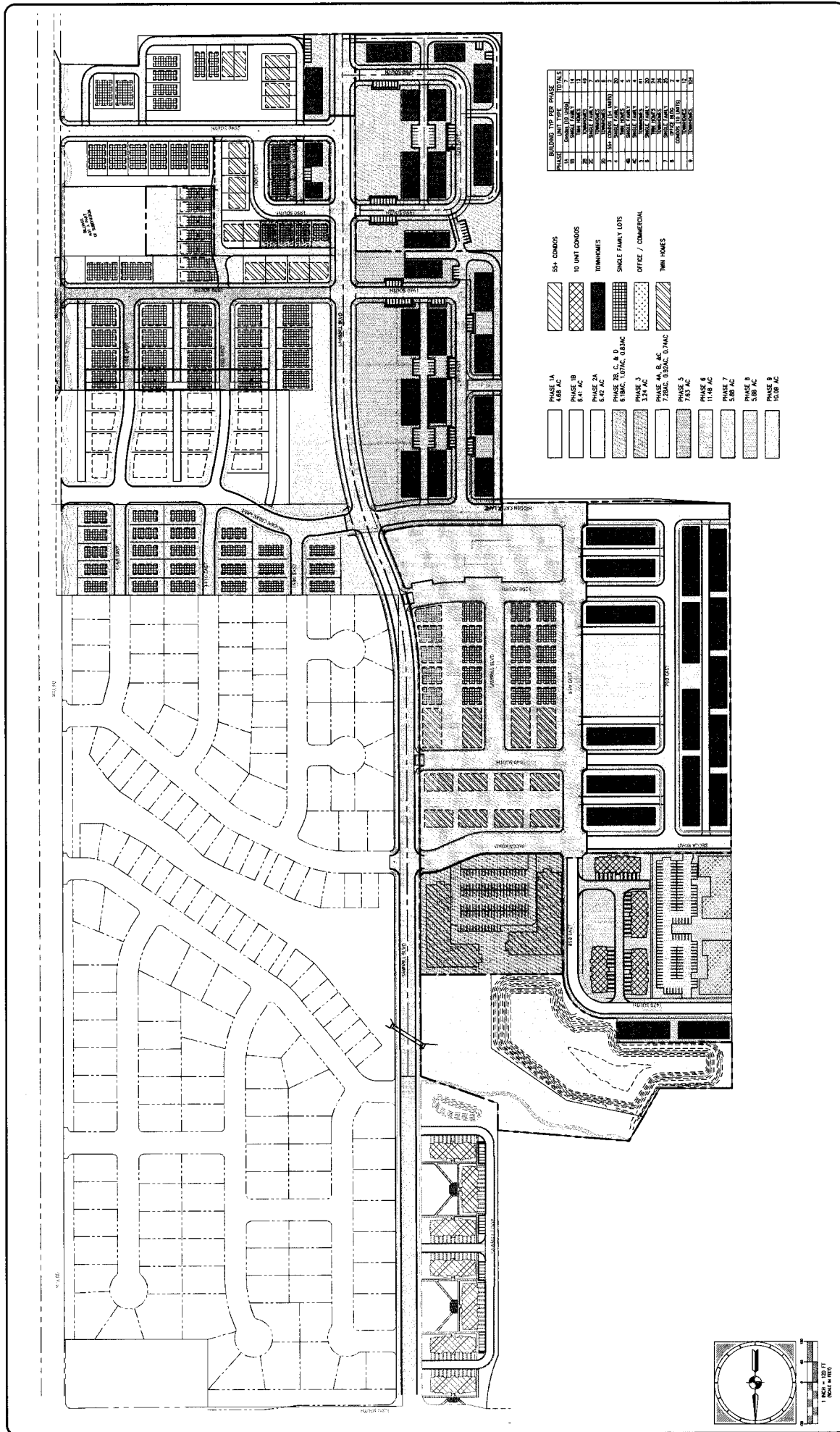


EXHIBIT A

SAWMILL DEVELOPMENT



SAWMILL SUBDIVISION PHASING MAP

PROJECT: C18-030
 SHEET: 1 OF 1
 DATE: 08/11/2020
 SCALE: AS SHOWN

SAWMILL SUBDIVISION
 Sawmill Engineering Group Inc.
 10000 Highway 100, Suite 100
 Richmond, BC V6V 2G9
 TEL: 604-273-8888
 FAX: 604-273-8889
 WWW.SAWMILLGROUP.COM

DATE: 08/11/2020
 DRAWN BY: J. [Name]
 CHECKED BY: [Name]
 PROJECT NO: C18-030

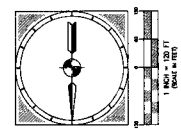


EXHIBIT B**SAWMILL PHASE 5**

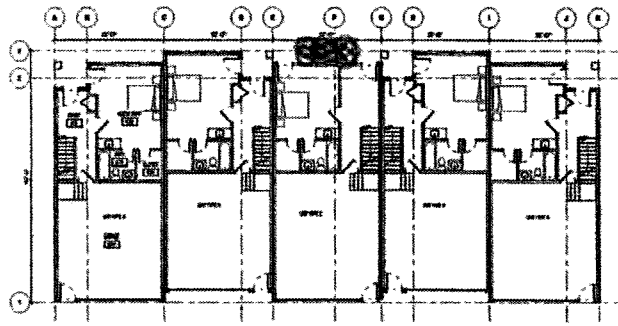
BEGINNING AT A POINT LYING SOUTH $00^{\circ}15'51''$ EAST ALONG THE SECTION LINE 729.33 FEET AND WEST 900.32 FEET FROM THE WASATCH COUNTY SURVEY MONUMENT FOR THE EAST QUARTER CORNER OF SECTION 8, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING COINCIDENT WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAWMILL BOULEVARD;

AND RUNNING THENCE WEST 430.68 FEET; THENCE $N00^{\circ}03'24''W$ 220.74 FEET; THENCE $N00^{\circ}01'03''E$ 572.16 FEET; THENCE EAST 223.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 312.00 FEET; THENCE 51.17 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $09^{\circ}23'49''$, WITH A CHORD BEARING AND DISTANCE OF $N85^{\circ}18'05''E$ 51.11 FEET; THENCE $N80^{\circ}36'11''E$ 63.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 13.00 FEET; THENCE 23.03 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $101^{\circ}30'18''$, WITH A CHORD BEARING AND DISTANCE OF $N29^{\circ}58'51''E$ 20.13 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF SAWMILL BOULEVARD AND THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE WEST, HAVING A RADIUS OF 1,262.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS $S69^{\circ}13'41''W$; THENCE 454.05 FEET ALONG THE ARC OF SAID CURVE AND ALONG SAID WESTERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF $20^{\circ}36'52''$, WITH A CHORD BEARING AND DISTANCE OF $S10^{\circ}27'53''E$ 451.61 FEET; THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE $S00^{\circ}09'27''E$ 380.85 FEET TO THE POINT OF BEGINNING. PARCEL CONTAINS 7.630 ACRES, OR 332,369 SQUARE FEET.

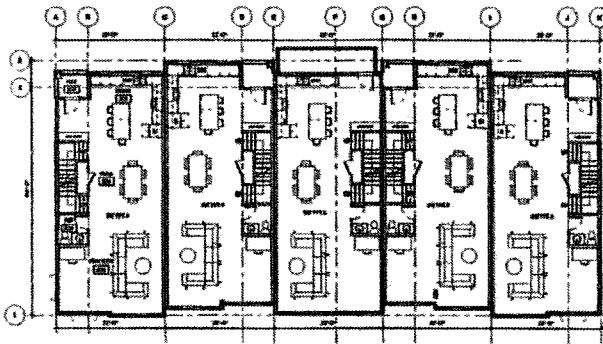
Affecting a portion of Tax Parcel No. 20-8292

EXHIBIT C

AFFORDABLE HOUSING UNIT PLANS



LEVEL 1 - 5 PLEX



LEVEL 2 - 5 PLEX

PROJECT NO.
PROJECT NAME
ARCHITECT
LAYTON DAVIS
1000 East 2000 North, Suite 200, Salt Lake City, Utah 84143 PHONE: 313.713.1234 FAX: 313.713.1235
HEBER SAWMILL TOWNHOMES
HEBER, UT
CONTRACT NO.
PROJECT NO.
16-751
DESIGNER/CLIENT
RONALD
TYPE
FLOOR PLANS
NO. SHEETS
A101

EXHIBIT D

DEED RESTRICTION FORM

WHEN RECORDED, RETURN TO:

Jefferey Bradshaw
Wasatch County Housing Authority
175 N. Main Street, Suite 201
Heber City, Utah 84032

**RESTRICTIONS
CONCERNING AFFORDABLE HOUSING UNIT
AT SAWMILL PLANNED COMMUNITY MIXED-USE DEVELOPMENT**

(Address of Unit Here)

THESE RESTRICTIONS CONCERNING AFFORDABLE HOUSING UNIT AT SAWMILL PLANNED COMMUNITY MIXED-USE DEVELOPMENT (hereinafter this "Deed Restriction") governs [address here] Heber City, Utah 84032 of Sawmill Planned Community located at (the "Unit" or "AHU") as more particularly described in Exhibit A attached hereto, and is made and entered into as of the 3 day of May, 2021 (the "Effective Date") by Heber City, a municipality of the State of Utah (the "City"), and Wasatch County Housing Authority, political subdivision of the State of Utah ("WCHA") and Ridgepoint Management Group, LLC, a Utah limited liability company, and Robbin Red, LLC, a Utah limited liability company (collectively, "Developer").

Recitals

A. On or about January 3, 2018, the master developer ("Developer") of the Sawmill Planned Community Mixed-Use Development (the "Sawmill Development") executed that certain *Development Agreement* which, among other things, requires Developer to construct and provide a specific number of affordable housing units ("AFU") within the Sawmill Development. The Sawmill Development was recorded on March 6, 2018 as Entry No. 449000 (Book 1216, Pages 1644-1723) in the Office of the Wasatch County Recorder.

B. On or about May 3 2021, the Developer executed that certain *Affordable Housing Agreement* which, consistent with Heber City Code § 18.102.060(G) (as may be amended from time to time) requires that each AFU be memorialized by a Deed Restriction. The Sawmill Development was recorded on March 6, 2018 as Entry No. 449000 (Book 1216, Pages 1644-1723) in the Office of the Wasatch County Recorder.

C. The Developer, as owner of the Unit, is exercising and recording this Deed Restriction intending that subsequent owners of the Unit be bound by its terms. Upon its recording in the public records of the County Recorder of Wasatch County, Utah, this Deed Restriction shall govern the terms and conditions of ownership, use, and occupancy of the Unit 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 County hereby submits the Unit to the following covenants and restrictions:

1. DEFINITIONS.

1.1 “**Affordable Housing Unit or AHU**” means the owner-occupied residential townhome within which an ADU, as defined below, exists.

1.2 “**Accessory Dwelling Unit or ADU**” means the accessory apartment portion of the AHU with Sawmill Phase 5, as set forth on Exhibit “B” of the Affordable Housing Agreement.

1.3 “**City**” means Heber City, a municipality of the State of Utah. Actions to be taken or decisions to be made by the City hereunder are to be taken or made by the Heber City Council or the department, employee or third-party designee selected by the City Council to carry out such responsibilities or to administer, generally, the affordable housing programs for the City. As of the date of this Deed Restriction, Wasatch County Housing Authority is the City’s third-party designee.

1.4 “**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.

1.5 “**Domicile**” means the place where an individual has a fixed permanent home and principal establishment to which the individual, if absent, intends to return and in which the individual and/or his or her household voluntarily reside not for a special or temporary purpose but with the intention of making a permanent home for a minimum of nine (9) months out of each calendar year.

1.6 “**First Mortgage**” means a Mortgage (as defined in this Deed Restriction) having priority as to all other Mortgages encumbering the Unit or any part thereof or interest therein.

1.7 “**Household**” means all related and unrelated individuals occupying a Unit as their Primary Residence.

1.8 “**Mortgage**” means a mortgage, deed of trust or similar security instrument by which the Unit or any part thereof or interest therein is encumbered.

1.9 “**Notice**” means correspondence complying with the provisions set forth in this Deed Restriction.

1.10 **“Owner-occupied”** means a Unit that is occupied by the Unit Owner as the Unit Owner’s Primary Residence.

1.11 **“Primary Residence”** means the place where Domicile has been established.

1.12 **“Qualified Renter”** means a prospective renter of the ADU who meets the following eligibility requirements:

a. Is **“Income Qualified,”** which means the Household of the purchaser earns not more than sixty percent (60%) of the Wasatch County Area Median Income (“AMI”) for the household size of the purchaser(s) 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 Wasatch County or the City; AND

Each ADU shall meet the Allowable Housing Expense requirement under Subsections 18.102.110 (B) and (D) of the Heber City Code, which require housing to cost no more than thirty percent (30%) of such family’s household income to qualify as Affordable Housing. The Developer shall provide written notice to each purchaser of the limit of rental income, along with the calculation of rent per 3(f)(i) below:

When Developer, subsequent owner of the Unit, rents the ADU, such monthly rent will be calculated by determining sixty percent (60%) of the Median Family Income for a family of 2 in Wasatch County, Utah, as published by the Department of Housing and Urban Development (“HUD”) multiplied by 30%, which total is divided by 12 (the number of months per year). Such amount shall be adjusted for the estimated cost of the household obtaining basic public utilities. By way of example, the current area median income for a Wasatch County family of two as published by HUD in 2020 equals \$70,720. The monthly rent for an AHU would therefore equal: $(.6 \times \$70,720 \times .3) / 12 = \$1,060.80$ adjusted for the cost of basic public utilities; AND

The City and/or WCHA may establish policies and procedures for evaluating whether an applicant is a Qualified Renter, and any determinations made regarding an applicant’s qualifications shall be final.

1.13 **“Unit Owner”** means the transferee or transferees receiving title to, or a fee interest in, the Unit and all subsequent person(s) vested with record title of the Unit according to the records of the County Recorder of Wasatch County, Utah. Unit Owner shall not include a person who holds an interest in a Unit merely as security for the performance of an obligation.

2 OCCUPANCY REQUIREMENT.

The Unit shall be Owner-occupied unless a Unit Owner receives the prior written consent of the City and/or WCHA, who, in its sole and absolute discretion, may grant an exception. Each Unit Owner shall occupy his or her Unit as a Primary Residence.

3 RENTING THE UNIT.

3.1 Owner Occupancy Required. With the exception of the ADU, the Unit shall be Owner-occupied and shall not be rented without the express written consent of the City and/or WCHA.

3.2 Rental of AHU Allowed in Limited Circumstances and on Restricted Terms. Under certain extenuating circumstances and upon the written request of the Owner, the City and/or WCHA may allow rental of the Unit on a limited basis. Upon written consent of the City and/or WCHA (which shall be at the discretion of the City and/or WCHA), the Unit may be rented on the following terms:

3.3 Rental of ADU. The Owner is not required to rent out the ADU to a third party. However, in the event that the Owner elects to rent any portion of the ADU to a third party for any consideration, regardless of form, the Owner shall only rent the ADU to a Qualified Renter, which shall be determined and approved by the WCHA consistent with the terms set forth in this Agreement. Prior to renting or leasing the ADU, the Owner must ensure that the prospective renter submit any and all necessary documentation to the WCHA for qualification. For the sake of this Agreement, a third party shall be defined as any one other than the Unit Owner, as reflected on the records of Wasatch County ("Third Party"). In the event the Owner is an entity or a trust, the Third Party shall be anyone who does not have at least fifty (50%) ownership in the entity or the entity or anyone is not the trustor of the trust.

3.4 Right to Inspect: Each ADU is subject to inspection by the Wasatch County Housing Authority to determine ongoing compliance with the rental rates outlined in this Deed Restriction.

3.5 Unauthorized Rental or AHU or ADU. Any rental of the Unit in violation of this Deed Restriction shall trigger, a violation of the Development Agreement, the Affordable Housing Agreement, and Heber City Code, including all remedies available thereunder.

3.6 Short-Term Rentals. Short-Term Rentals are not permitted within the ADU's identified in this Deed Restriction and the Affordable Housing Agreement.

4 SELLING THE UNIT.

Any sale of the Unit shall comply with the terms of this Article 4.

4.1 Deed Restriction Notification. Before the Unit Owner may sell the Unit or AHU to a third party, it must provide the third party buyer with a copy of this Deed Restriction.

5 ANNUAL COMPLIANCE REPORT.

The Unit Owner shall complete and provide to the WCHA with an annual compliance report on a form to be provided by the WCHA. Failure of the WCHA to mail or otherwise provide the annual compliance report form to the Unit Owner does not discharge the obligations of the Unit Owner to comply with this Deed Restriction or report compliance to the WCHA on an annual basis. As part of the reporting process, the WCHA may request additional documentation from the Unit Owner or the Qualified Renter to demonstrate compliance, and the Unit Owner and/or Qualified Renter shall provide such additional documentation in the timeframe and manner requested or shall be subject to default as outlined in Article 9. In conjunction with the annual compliance report, the WCHA may conduct a physical inspection of the Unit, AHU, or ADU.

6 MORTGAGE PROTECTION.

6.1 Subordination to First Mortgage. Except as provided in this Article 7, this Deed Restriction shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage encumbering the Unit and to all advances validly secured by said First Mortgage.

6.2 Notice of Default; Notice of Foreclosure. Notwithstanding the subordination provision above, the holder of a First Mortgage shall serve Notice on the City and WCHA as set forth below: (a) if the Unit Owner is in default of the First Mortgage for more than 60 days; and (b) if foreclosure proceedings have commenced against the Unit.

6.3 Termination of Deed Restriction Upon Foreclosure; Applicability. **If any person or entity shall acquire the Unit through foreclosure or trustee's sale or by any similar means, such acquisition shall be made, and the Unit shall remain, subject to the terms and conditions of this Deed Restriction which shall not be automatically terminated by said foreclosure sale or other transfer event.**

7 DEFAULT AND REMEDIES.

7.1 Default. Noncompliance with any part of this Deed Restriction constitutes a default, which shall include but are not limited to: (a) unauthorized rental of all or a portion of the Unit; (b) not using a Unit or AHU as an Owner-occupied Primary Residence; (d) failure to pay any penalties, and (e) failure to submit the Annual Compliance Report required by this Deed Restriction.

7.2 Monetary Penalties. Upon Notice from the City or WCHA to a Unit Owner in default, the Unit Owner shall have thirty (30) calendar days to cure such noncompliance.

If the Unit Owner does not cure the noncompliance within thirty (30) days, the County may assess monetary penalties against the Unit Owner of up to two-hundred and fifty dollars (\$250.00) per day beginning on the thirty-first (31) calendar day after providing Notice as set forth in this Deed Restriction. Unless prior approval was obtained, rental of any Unit on a short-term/nightly basis shall constitute an automatic default without the need to provide the Unit Owner Notice and an opportunity to cure the noncompliance. In those instances, the City or WCHA may charge the Unit Owner automatic fines of up to the greater of \$500 per calendar day or the rate charged for rental of the Unit per night, whichever is greater.

7.3 Violation of Criminal Code. In addition to the remedies contained herein, the Unit Owner and other individuals dealing with the transfer and/or management of the Unit (including lenders, Realtors, attorneys and title professionals) may be subject to the remedy provisions of Heber City Code (as may be amended or replaced).

7.4 Remedies Not Exclusive. Except as otherwise provided in this Deed Restriction, no remedy conferred by any of the specific provisions of this Deed Restriction is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other remedies.

7.5 Attorney Fees. If any party shall take or defend against any action for any relief against another party arising out of this Deed Restriction, the prevailing party in such action or defense shall be entitled to reimbursement by the other party for all costs including but not limited to reasonable attorney fees and court costs incurred by the prevailing party in such action or defense and/or enforcing any judgment granted therein, all of which costs shall be deemed to have accrued upon the commencement of such action and/or defense and shall be paid whether or not such action or defense is prosecuted to judgment. Any judgment or order entered in such action or defense shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment.

8 ENFORCEMENT.

The City and/or WCHA shall monitor compliance with the terms of this Deed Restriction and have the power to exercise all remedies available at law and in equity to ensure compliance by the Unit Owner and their successors in interest.

9 TERM.

This Deed Restriction shall continue in full force and effect in perpetuity beginning on the Effective Date unless terminated sooner by the mutual agreement of the Unit Owner and the City and WCHA (the "Term").

10 CHOICE OF LAW.

This Deed Restriction shall be governed and construed in accordance with the laws of the State of Utah.

11 RECORDING AND FILING; 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 Wasatch County, Utah.

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

12 MISCELLANEOUS.

12.1 Notice.

a. Any and all notices or demands to the Unit 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 Unit Owner shall be addressed to the address of the Unit Owner appearing on the County tax records.

b. Any and all notices or demands to the City or WCHA shall be in writing and shall be served by (a), if to the City, mail or commercial courier provided to the Heber City Clerk or his/her authorized agent authorized by appointment or by law to receive service by signing a document indicating receipt or (b) if to WCHA, mail or commercial courier provided to 175 North Main Street, #201, Heber City, Utah 84032; or (c) via hand delivery with signed acknowledgment of receipt by any authorized agent for the above entities. Service shall be complete on the date the receipt is signed.

c. 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 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.

12.3 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.

12.4 Modifications. Any modification of this Deed Restriction shall be effective only when made by writings signed by the County and the Unit Owner and recorded in the Official Records of Summit County, Utah.


12.5 Incorporation of Recitals. The recitals set forth at the beginning of this Amended Deed Restriction are incorporated herein by this reference.

12.6 Authorization. All parties to this Deed Restriction agree and covenant that they are the authorized parties, duly authorized with full legal authority to enter into this Deed Restriction.

IN WITNESS WHEREOF, the City, Developer, and WCHA has executed this Deed Restriction as of the Effective Date.

DEVELOPER:

By: RIDGEPOINT MANAGEMENT GROUP, LLC

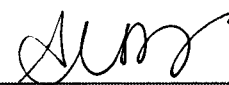


By: Heath Johnston
Title: Manager

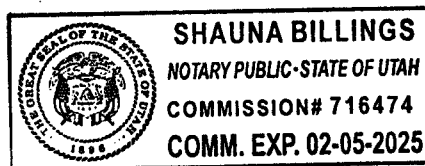
State of Utah)
 :ss
County of Utah)

On the 4th day of May, 2021, personally appeared before me Heath Johnston, who being by me duly sworn, did say, that he/she/they/ is/are a Member(s) Manager(s) of Ridgepoint Management Group, LLC, a limited liability company, and that said instrument was signed in behalf of said company by authority of statute, its articles of organization or its operating agreement, and that the said Heath Johnston acknowledged to me that said limited liability company executed the same.

Witness my hand and official seal.



Notary Public



By: Kelleen Potter, Mayor

ATTEST:

Heber City Recorder

EXHIBIT A

Legal Description of Unit

[UNIT LEGAL DESCRIPTION HERE]