

WHEN RECORDED MAIL TO:
STATE OF UTAH, OLENE WALKER
HOUSING LOAN FUND
324 S STATE STREET #500
SALT LAKE CITY, UT 84114-9302

E 216837 B 916 P 267
Date 8-JAN-2004 11:41am
Fee: 15.00 Check
CALLEEN PESHELL, Recorder
Filed By RGL
FOR FIRST AMERICAN TITLE INS INC
TOOELE COUNTY CORPORATION

DEED RESTRICTION

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 31st Day of December, 2003 by LANDMARK TOOELE ASSOCIATES, L.C., a Utah limited liability company of the State of Utah ("Subrecipient"), for the benefit of the OLENE WALKER HOUSING LOAN FUND, (the "State"). For good and valuable consideration, Subrecipient hereby agrees as follows for the benefit of the State:

A. Property encumbered. The restriction shall be recorded against that certain real property located at 350 West 400 North, Tooele, UT 84074, as more fully described as follows:

Beginning at a point that is South 88°39'00" East 205.806 feet on the South right of way line of 2nd North Street (NKA 400 North Street) from the Northwest corner of Lot 4, Block 4, Plat "A" TOOELE CITY SURVEY; thence South 88°39'00" East 301.486 feet along said South right of way line to a fence line; thence South 01°27'00" West 722.773 feet along said fence to a second fence corner; thence North 88°31'00" West 301.486 feet; thence North 01°27'00" East 722.071 feet to the point of beginning.

Less and excepting any portion of said land lying within Landmark Drive and Griffith Street, as dedicated by that certain document recorded October 14, 1980, as entry No. 341299, in book 187 at page 121 of official records.

Tax Parcel No.: 02-086-0-0054

Said property is also known by the street address of:
350 West 400 North, Tooele, UT 843074

B. Nature of Restriction. The project shall carry a Deed Restriction the term of which 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 payment in full of the Trust Deed Note of like date, whichever is later. Thereby:

- (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 Loan 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 two 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 lessor 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. SEVERELY AND PERSISTENTLY MENTALLY ILL NON-DISCRIMINATION AGREEMENT.

- (1) Rental housing funded with assistance from the State of Utah, Department of Community and Economic Development, Division of Community Development, administrator of the Olene Walker Housing Loan Fund will be available to adults with a serious mental illness as defined in paragraph D below, who experience serious and persistent mental illness, without barrier and without screening to eliminate these individuals from tenancy and/or tenancy waiting lists.
- (2) Rental housing operators/managers shall maintain a list of Community Mental Health Centers (CMHC'S) and shall make referral information available to tenants. Availability of this information shall be demonstrated by a public posting visible to tenants.
- (3) Rental housing operators/managers shall contact the Community Mental Health Center in the catchments area(s) in which this housing exists, and establish a referral relationship with CMHV staff. This working relationship will include an understanding that the manger shall call upon CMHC staff for consultation before taking any adverse actions against tenants who appear to need mental health services. Evidence of this working relationship shall be demonstrated by existence of written agreements between the owner/operator and the appropriate CMHC, by the presence of written referral information available to operators/managers, and by their ability to name the CMHC staff with whom they work and the use of such working relationships.
- (4) Strategies shall be developed to insure access to this housing for homeless individuals referred to the operator/manager by Public Housing Authorities, Community Mental Health Centers, and Homeless Shelter staff. Evidence of compliance with this requirement shall be the submittal of written strategies for inclusion of homeless individuals, and written working agreements with the appropriate agencies and organizations. It shall also include comparative data of successful referrals into this housing.
- (5) This policy will not supersede the selection process required by HUD for units, including SRO units, assisted with mod-rehab funds.

D. DEFINITION OF ADULTS WITH A SERIOUS MENTAL ILLNESS

For epidemiological estimation pursuant to Section 1912 C of Subpart 1 of Part B of Title XIX of the Public Health Services Act, as amended by Public Law 102-321, "Adults With a Serious Mental Health Illness" are persons:

Age 18 and over

Who currently or at any time during the past year,

Have had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM-III-R,

That has resulted in functional impairment in one or more major life activities

These disorders include any mental disorder listed in DSM-III-R or ICD-9 or subsequent revisions, (with the exception of DSM-III-R "V" Codes, substance use disorders, developmental disorders including mental retardation and Alzheimer's related dementias, unless they co-occur with another diagnosable mental disorder).

Examples of major life activities of daily living (eating, bathing, dressing); instrumental activities of daily living (maintaining a household, using money, using public transportation); functioning in social, family and vocational/educational contexts; and coping skills and stress tolerance. Adults who would have met functional impairment criteria during the referenced year without the benefit of treatment or other support services are considered to have serious mental illness. Clearly, any definition of serious mental illness in adults also requires attention to cultural and ethnic norms.

E. STANDARDIZED METHODS FOR ESTIMATION

