

When Recorded Return to:

Randy Archuleta
Utah Housing Finance Agency
177 East 100 South
Salt Lake City, Utah 84111

ENT 24395 BK 2805 PG 328
NINA B REID UTAH CO RECORDER BY MB
1991 JUN 24 1:05 PM FEE 12.00
RECORDED FOR FIRST FINANCIAL TITLE

AMENDMENT TO
LOW-INCOME HOUSING CREDIT COMMITMENT AGREEMENT
AND DECLARATION OF RESTRICTIVE COVENANTS

This Amendment to Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants (the "Amended Agreement") is made this 9th day of ~~March~~^{MAY}, 1991, by and between Payson-Utah II Associates, a Washington limited partnership, its successors and assigns (the "Owner"), and Utah Housing Finance Agency ("UHFA"), a body politic and corporate of the State of Utah.

RECITALS

WHEREAS, Owner made application to UHFA for an allocation of 1990 low-income housing tax credits pursuant to section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the construction or rehabilitation of that certain qualified low-income building or buildings located upon and being a part of the real property described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Project");

WHEREAS, UHFA made an allocation of 1990 low-income housing tax credits to Owner on the condition, amongst other requirements, that the Owner enter into a certain agreement with

respect to the Project to be recorded as a restrictive covenant with respect to the Project;

WHEREAS, Owner and UHFA executed a Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants, dated October 12, 1990, (the "Original Agreement"), which Original Agreement was thereafter recorded in the real property records of the County of Utah, Utah, on October 26, 1990, Book 2734, at Page Numbers 707-717;

WHEREAS, the Revenue Reconsideration Act of 1990 amended section 42 of the Code, making certain revisions with respect to the low-income housing tax credit program;

WHEREAS, paragraph 14 of the Original Agreement provides that the Original Agreement may be amended as necessary to reflect changes in the law governing the low-income housing tax credit program.

NOW THEREFORE, in consideration of the mutual premises set forth above, and based on the mutual covenants and promises set forth in the Original Agreement, and as hereinafter set forth, and such other valuable consideration the receipt and sufficiency of which is hereby acknowledged, Owner and UHFA agree as follows:

1. Paragraph 8 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

8. Owner and UHFA agree that the extended use period, as used in section 42 of the Code and this Agreement, means the period beginning on the first day in the compliance period, as defined in section 42 of the Code, on which a qualified low-income building is a part of a qualified low-income housing

project and ending on the date which is 35 years after the close of the compliance period; however, notwithstanding the foregoing to the contrary, the extended use period shall terminate upon the occurrence of either of the following:

(a) On the date the qualified low-income building is acquired by foreclosure (or instrument in lieu of foreclosure), unless the IRS determines that such acquisition is part of an arrangement of the taxpayer a purpose of which is to terminate the extended use period; or

(b) One year from the date Owner submits a written request to UHFA to find a person ("qualified buyer") to acquire the Owner's interest in the low-income portion of the qualified low-income building, PROVIDED THAT (i) UHFA is unable to present during such one year period a qualified contract, as defined in section 42(h)(6)(F) of the Code, as amended, for the acquisition of the low-income portion of the qualified low-income building by any person who will continue to operate such portion as a qualified low-income building, and (ii) Owner shall not request that UHFA find a qualified buyer, and Owner hereby waives its right to do so for purposes of this paragraph 8(b) and section 42 of the Code, until the expiration of 50 years from the date the qualified low-income building is placed in service.

2. The Original Agreement is hereby amended to add at the end thereof new paragraphs 20, 21, 22 and 23 as follows:

20. Owner acknowledges that UHFA, or its delegate, is required to monitor the Project's compliance with the requirements of section 42 of the Code and the covenants of this Agreement. Accordingly, Owner agrees to request and obtain, each year, from low-income tenants, sufficient documentation to substantiate the income earned by all low-income tenants residing within a low-income unit of the Project. As a condition to leasing a low-income unit, a low-income tenant shall be required to provide sufficient documentation to substantiate

income levels of all individuals residing therein.

21. Owner shall permit, during normal business hours, upon reasonable notice, any duly authorized representative of UHFA to inspect any books and records of Owner relating to the Project and the incomes of qualifying low-income tenants. Specifically, Owner shall make available to UHFA the documentation substantiating incomes of all low-income tenants. UHFA shall notify the Internal Revenue Service ("IRS") of any non-compliance within the provisions of section 42 of the Code, or of this Agreement, of which it becomes aware.

22. Pursuant to section 42(h)(6)(B)(iii) of the Code, no portion of the Project to which this Agreement applies, may be sold, transferred or conveyed to any person unless all of the Project to which this Agreement applies is sold, transferred or conveyed to such person.

23. UHFA and Owner recognize that the provisions of section 42 of the Code may be amended from time to time. Owner agrees to maintain the Project in compliance and conformity with the requirements of section 42 of the Code, and the regulations issued thereunder, as the same are amended from time to time.

3. Except as amended herein, Owner and UHFA intend the Original Agreement to remain in full force and effect.

4. This Amended Agreement may be executed by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement.

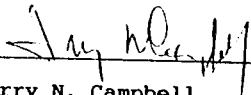
IN WITNESS WHEREOF, the parties hereto have caused this Amended Agreement to be signed by their respective duly authorized representatives the day and year first above written.

OWNER:

PAYSON-UTAH II ASSOCIATES, a
Washington limited partnership

UHFA:

UTAH HOUSING FINANCE AGENCY



By: Terry N. Campbell
Its General Partner

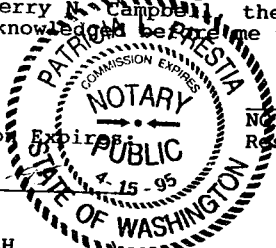


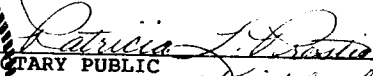
By William H. Erickson
Executive Director

STATE OF WASHINGTON)
: ss.
COUNTY OF KING)

On the 9th day of ^{MAY} ~~March~~, 1991, personally appeared
before me Terry N. Campbell, the signer of the above instrument,
who duly acknowledged before me that he executed the same.

My Commission Expires:
4-15-95





NOTARY PUBLIC
Residing at: Richland

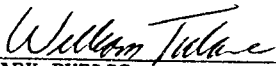
STATE OF UTAH
: ss.
COUNTY OF SALT LAKE)

On this 21 day of March, 1991, personally appeared
before me William H. Erickson, whose identity is personally known
to or proved to me on the basis of satisfactory evidence, and
who, being by me duly sworn (or affirmed), did say that he is the
Executive Director of the Utah Housing Finance Agency, and that
the foregoing document was signed by him in behalf of the Utah
Housing Finance Agency by authority of a resolution of its board
of directors, and said William H. Erickson acknowledged to me
that said corporation executed the same.

My Commission Expires:

3-10-1995

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NOTARY PUBLIC
Residing at: WRBAC CO.

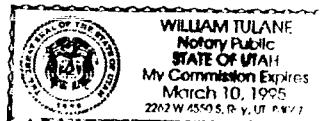


EXHIBIT A

County of Utah, State of Utah:

Commencing 443.66 feet North along the West line of 700 East Street from the Southeast corner of Block 9, Plat "K", Payson City Survey of Building Lots; thence North $89^{\circ}50'51''$ West 466.27 feet, to the East line of 600 East Street; thence North $0^{\circ}06'48''$ East 200.00 feet along the East line of 600 East Street to the South line of Highway 91; thence South $89^{\circ}50'51''$ East, 465.87 feet along the South line of Highway 91 to the West line of 700 East Street; thence South 200.00 feet to the point of beginning.