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LorAnn Adams - Filed By mm  
**Box Elder Co., UT**  
For 1ST AMERICAN TITLE INS CO

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

311-4825792

APN: 05-062-0055; 05-062-0057; 05-062-0066

Space Above This Line For Recorder s Use

LOAN NO. WHP958

**DEED RESTRICTION**

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 13<sup>th</sup> day of August, 2007, by RIVERVIEW SENIOR HOUSING, LLC, a Utah Limited Liability Company of the State of Utah ("Borrower"), for the benefit of the loan made by the OLENE WALKER HOUSING LOAN FUND, (the "State") in the amount of \$400,300.00 of even date herewith. For good and valuable consideration, Borrower 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:

**PARCEL 1: 05-062-0055**

BEGINNING AT A POINT 154 FEET SOUTH OF THE SOUTHWEST CORNER OF LOT 7, BLOCK 1, PLAT B, TREMONTON CITY SURVEY; THENCE EAST 78.5 FEET; THENCE SOUTH 21 FEET; THENCE EAST 81.5 FEET; THENCE SOUTH 75 FEET; THENCE WEST 160 FEET, MORE OR LESS TO EAST LINE OF 1ST EAST STREET, THENCE NORTH 96 FEET TO BEGINNING.

**PARCEL 2: 05-062-0057**

BEGINNING AT A POINT 749 FEET WEST AND 639.5 FEET SOUTH OF NORTHEAST CORNER OF SECTION 10, TOWNSHIP 11 NORTH, RANGE 3 WEST, SLM, SAID POINT BEING THE EAST LINE OF A CITY STREET KNOWN AS 1ST EAST STREET AND THE SOUTH LINE OF J.L. BURGESS PROPERTY; THENCE EAST 85 FEET; THENCE SOUTH 185 FEET; THENCE WEST 85 FEET; THENCE NORTH 185 FEET TO THE POINT OF BEGINNING.

**PARCEL 3: 05-062-0066**

BEGINNING AT A POINT 639.5 FEET SOUTH AND 664 FEET WEST OF THE NORTHEAST CORNER OF SECTION 10, TOWNSHIP 11 NORTH, RANGE 3 WEST, SLM, RUNNING THENCE SOUTH 185 FEET; THENCE EAST 65 FEET; THENCE NORTH 185 FEET; THENCE WEST 65 FEET TO THE POINT OF BEGINNING.

**PARCEL 4: AFFECTS ~~05-062-0056~~, 05-065-0059**

TOGETHER WITH A RIGHT OF WAY FOR INGRESS AND EGRESS DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 154 FEET SOUTH OF THE SOUTHWEST CORNER OF LOT 7, BLOCK 1, PLAT B, TREMONTON CITY SURVEY AND RUNNING THENCE EAST 78.5 FEET; THENCE NORTH 20 FEET; THENCE WEST 78.5 FEET; THENCE SOUTH 20 FEET TO THE POINT OF BEGINNING. BEING PART OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 11 NORTH, RANGE 3 WEST, SLM.

Tax Serial No. 05-062-0055, 05-062-0057, 05-062-0066, and affects 05-062-0056 and 05-065-0059

also described as: the Riverview Senior Apartments, at 135 and 153 South 100 East, Tremonton, Box Elder County, Utah 84337(the "Property").

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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 Promissory Note of like date, whichever is later. Affordability period begins when the project is fully completed and all closeout information has been entered into the HUD IDIS system by STATE. 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) There are 0 HOME assisted units in this project. Borrower has, or will, provide State with one or more additional Deed Restrictions arising out of other loans securing the property herein described. Unless otherwise indicated, the Units designated in the other Deed Restrictions are the same number and type as designated herein and are not intended to be in addition to the number and type of units described herein.
- (3) Property can only be used for Riverview Senior Housing, LLC, clients.
  - (a) has 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.
- (4) 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.
- (5) 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 Culture, Division of Housing and 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, without barrier and without screening, including screening based on cultural or ethical norms 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 of available tenancy to CMHC's in the geographic area. 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 CMHC. 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, and 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 with serious mental illness 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 with serious mental illness, and written working agreements with the appropriate agencies and organizations. It shall also include comparative data of 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 Park 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, has 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 is 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

At the present time, practical methods that can be uniformly applied as a State-by-State basis have not been developed for estimating the incidence and prevalence of "serious emotional disturbance" in children and "serious mental illness" in adults. It is anticipated that several different types of studies or are or will soon be available to facilitate the development of these standardized methods. SAMHSA plans to further consult with the field to develop methods from relevant studies once final definitions of the two populations have been formulated. One potential approach to produce estimates could make use of national rates for prevalence and incidence of the two defined groups, applied to general population counts for each State. Proposed methods will be reviewed, findings compared and summarized, and any issues resolved.

#### F. ADDITIONAL AGREEMENTS REQUIRED

The Borrower has read the foregoing paragraphs C, D, and E, and understands that they are to have an agreement with the local Community Mental Health Center, the local Homeless Shelter, and the local Housing Authority, to serve the severely and persistently mentally ill. THREE (3) of the units of the development are to be set aside for the severely and persistently mentally ill, OR ANY OTHER NUMBER OF UNITS DESCRIBED IN THE PARAGRAPH BELOW.

#### G. NONCOMPLIANCE WITH DEED RESTRICTION

If BORROWER is found to be out of compliance with this Deed Restriction, the STATE has the option to call the Note due and payable in full. Borrower agrees that THREE (3) units will be set aside for Severely and Persistently Mentally Ill, and NONE (0) units will be set aside for HIV/AIDS; three (3) UNITS WILL BE SET ASIDE FOR Battered Family Transitional; FOUR (4) units will be set aside for Homeless and Near Homeless, and ONE (1) unit is ADA compliant, and will be set aside for clients needing a barrier free unit. A separate agreement with each agency serving the Special Needs Population must be executed between Borrower and the appropriate agency. Borrower agrees to contact each agency when a vacancy occurs, if TEN (10) units are not occupied by Special Needs tenants. In the event that the agencies do not have a qualified client who can fill a unit when it becomes vacant, the unit can be rented to a non-special needs tenant.

#### H. TERM

This restriction shall run with the title to the Property and shall be binding upon the successors, assigns, and beneficiaries of the parties. 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 Promissory Note of like date is paid in full, whichever is later. Affordability period begins when the project is fully completed and all closeout information has been entered into the HUD IDIS system by STATE. Upon such occurrence, this restriction shall automatically terminate without need for any other documentation, notice or

recorded material. Nevertheless, Borrower and the State shall promptly cooperate together and take the actions and sign the documents that either of them deems necessary to terminate the Restriction and remove all record thereof from the title of the Property.

RIVERVIEW SENIOR HOUSING, LLC,  
a Utah Limited Liability Company ("Borrower")

By: *Multi-Ethnic Development Corporation*  
Its: *Manager*

BY: *Dan Moser*  
Dan Moser, ~~Manager~~ *Executive Director*

STATE OF UTAH )

ss:

COUNTY OF SALT LAKE )

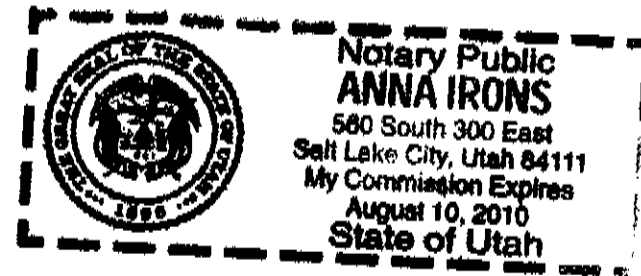
On the \_\_\_\_\_ day of August, 2007 personally appeared before me Dan Moser, who being by me duly sworn did say that he is the ~~Manager~~ of RIVERVIEW SENIOR HOUSING, LLC, a Utah Limited Liability Company,\*\* and that the attached instrument was signed on behalf of said Company, and said person acknowledged to me that said Company executed the same.

*Anna Irons*

Notary Public

My Commission expires: 8-10-2010

My Residence is: Salt Lake



\* Executive Director

\*\* By: Multi-Ethnic Development Corporation, its manager