

WHEN RECORDED MAIL TO:

Redevelopment Agency of Salt Lake City
Attn: Executive Director
451 South State Street, Room 118
PO Box 145518
Salt Lake City, UT 84114-5518

File No.: 116413-DMY

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11/8/2019 1:59:00 PM \$40.00
Book - 10857 Pg - 7750-7758
RASHELLE HOBBS
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 9 P.

RESTRICTIVE USE AGREEMENT

In Reference to Tax ID Number(s):

15-01-151-019

WHEN RECORDED, RETURN TO:

REDEVELOPMENT AGENCY OF SALT LAKE CITY
ATTN: Executive Director
451 South State Street, Room 118
PO Box 145518
Salt Lake City, Utah 84114-5518

RESTRICTIVE USE AGREEMENT

THIS RESTRICTIVE USE AGREEMENT (this “**Agreement**”) is made and entered into as of November 7, 2019, by and between the REDEVELOPMENT AGENCY OF SALT LAKE CITY, a public agency (“**Agency**” or “**RDA**”) and CENTRAL STATION APARTMENTS, LLC, a Utah limited liability company (“**Owner**”), both of whom are collectively referred to herein as the “**Parties**”, and individually as a “**Party**”.

RECITALS

- A. Pursuant to that certain Loan Agreement dated of even date herewith (“**Loan Agreement**”), Agency, as “**Lender**”, has agreed to make a loan to Owner, as “**Borrower**”, in the maximum principal amount of \$1,000,000.00 (“**Loan**”) for the purpose of financing construction of a residential development at 549 West 200 South, Salt Lake City, Utah (together with all easements, rights-of-way, and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments, and appurtenances thereof and thereto, collectively, the “**Property**”). Capitalized terms used and not otherwise defined herein shall be given the meanings ascribed to such terms in the Loan Agreement.
- B. Owner desires to acquire the Property to construct and operate thereon an affordable or mixed income project including market rate housing units and affordable housing units (collectively, together with any other related improvements and amenities to be constructed on the Property, the “**Owner Improvements**”).
- C. The Agency has determined that Owner’s intended development and use of the Property to construct and operate the Owner Improvements, as contemplated by the Loan Agreement, will be consistent with the purposes, goals and objectives of the Agency to provide affordable housing within Salt Lake City, provided the Owner Improvements are used and operated in accordance with the use restrictions set forth in Section 2 of this Agreement (collectively, the “**Use Restrictions**”).

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. 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.

2. Use Restrictions. In consideration of the Agency making the Loan to Owner and to further the purposes of the Agency to increase affordable housing within Salt Lake City, Owner hereby covenants and agrees, notwithstanding that the Loan may have been repaid in full, to comply with the terms and conditions of the Loan Agreement, this Agreement, and the Use Restrictions described below in connection with the construction and operation of any improvements on the Property during the Term (as defined in Section 3 hereof) of this Agreement.

(a) Owner shall develop and maintain the Property during the Term as follows:

65 units, of which 41 units are affordable to households between 60 to 41% of area median income as established by the U.S. Department of Housing and Urban Development (“AMI”), and 11 units are affordable to households at 40% AMI and below.

(b) Intentionally deleted.

(c) Prior to commencement of any construction on the Property, Owner shall deliver to Agency, for its review and written approval, copies of all site plans and building plans, including but not limited to schematic, design and construction plans related to any improvements to be constructed on the Property (collectively, “**Plans and Specifications**”).

(d) Owner covenants to cause the construction of the Borrower Improvements to be commenced, performed and completed in a prompt, diligent and workmanlike manner in accordance with the Plans and Specifications and any and all federal, state, and local laws, statutes, acts, ordinances, rules, regulations and/or other requirements of any applicable Governmental Authority.

(e) From and after the date hereof, Borrower shall display the RDA logo, pursuant to the RDA Logo Usage Guide available from Agency, from the date of Closing through the date the construction of the Borrower Improvements is completed, in the following instances: 1) on any signage located on the site of the Property that names, announces, or provides renderings or photographs of the Property; 2) on signage in or on any building, parking structure, facade, or public space being constructed or renovated that names, announces, or provides renderings or photographs of the Property; 3) on any printed materials describing the Property; 4) on any signage located on site that provides logos or names of one or more organizations involved in financing any part of the Property, advertising their involvement in the Property; and 5) on any digital or online presentation of the Property in part or in their entirety. At least one of the signs on which the RDA logo is displayed shall be easily visible and legible from the center of the nearest public street, and shall be approved by Agency. Agency acknowledges that the RDA logo may not have been used or displayed in signs and printed materials used or displayed prior to the date of this Agreement.

3. Duration of Agreement. This Agreement shall become effective as of the date of recordation hereof in the official real property records of Salt Lake County, Utah, and continuing for fifty (50) years thereafter (the “**Term**”).

4. Evidence of Compliance. Upon written request by the Agency, Owner shall provide Agency with evidence satisfactory to Agency of Owner’s compliance with this Agreement and the Use Restrictions described herein.

5. Default; Remedies. Owner shall be in “Default” of its obligations under this Agreement if at any time during the Term any portion of the Property or Owner Improvements is used or operated in violation of the Use Restrictions set forth in Section 2 hereof or Owner fails to comply with any other provision of this Agreement. Following the occurrence of any Default, Agency shall be entitled to exercise any and all rights available at law or equity, including, without limitation, the remedy of specific performance to require the Property and Owner Improvements to be used and operated as required hereunder. Additionally, Owner shall be entitled to recover from Owner any and all costs and expenses incurred by Agency in enforcing the terms and conditions of this Agreement, including Agency’s reasonable attorneys’ fees.

6. Run with the Land. This Agreement and the Use Restrictions set forth herein are binding upon and shall run with the Property subject thereto throughout the Term hereof, 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 and Owner Improvements 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/or Owner Improvements and any other holders of interests in and to any portion of the Property and/or Owner Improvements. Agency 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.

7. General Provisions.

(a) Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

(b) Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

(c) Attorneys’ Fees. In any legal or equitable proceeding for the enforcement of, or to restrain the violation of, or otherwise pertaining to a dispute concerning this Agreement or any provision hereof, by reference or otherwise, the prevailing Party shall be entitled to an award of reasonable attorneys’ fees in such amount as may be fixed by the court in such proceedings, in addition to costs of suit. If counsel is otherwise employed to

enforce this Agreement or any provision hereof, the Party forced to take action that does not involve litigation shall be entitled to its reasonable attorneys' fees.

(d) Notices. All notices, demands, requests and other communications required or permitted hereunder shall be given as specified in the Loan Agreement.

(e) 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. Venue shall reside in Salt Lake City, Utah.

(f) Entirety and Amendments. This Agreement, together with the Loan Agreement and other Loan Documents (as defined in the Loan Agreement), embodies the entire agreement between the Parties and supersedes any prior agreements and understandings, if any, relating to the Property and Owner Improvements or any portion thereof and may be amended or supplemented only by an instrument in writing executed by both Agency and Owner.

(g) 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.

(h) Further Acts. In addition to the acts and deeds recited herein and contemplated to be performed, executed and delivered by Agency and Owner, Agency 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.

(i) Survival. Except as otherwise provided for herein, all agreements, covenants, representations and warranties contained herein shall survive the expiration or termination of this Agreement and the performance by Owner of its obligations hereunder.

(j) Nonliability of Agency Officials and Employees. No member, official or employee of Agency shall be personally liable to Owner, or any successor in interest, in the event of any default or breach by Agency or for any amount which may become due to Owner or its successor or on any obligation under the terms of this Agreement.

(k) No Relationship of Principal and Agent. Nothing contained in this Agreement, nor any acts of the Parties shall be deemed or construed to create the relationship of principal and agent or of limited or general partnership or of joint venture or of any other similar association between Agency, its successors or assigns, or Owner, its successors or assigns.

(l) 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.

(m) Exhibits. All references to Exhibits contained herein are references to exhibits attached hereto, all of which are made a part hereof for all purposes.

(n) 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.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed as of the date first above written.

AGENCY:

REDEVELOPMENT AGENCY OF SALT LAKE CITY

By: Patrick W. Feary
Jacqueline M. Biskupski, Executive Director
Acting Executive Director

Approved as to legal form:

Kimberly K. Chytraus
Kimberly K. Chytraus, Senior City Attorney



ATTEST:

Judi Mansel
CITY RECORDER

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 21 day of October, 2019, by Jacqueline M. Biskupski, Executive Director of REDEVELOPMENT AGENCY OF SALT LAKE CITY, LLC, a public entity.

Robyn G. Smith

NOTARY PUBLIC
Residing at: Salt Lake County
My Commission Expires: 4/15/2023



PROPERTY OF SALT LAKE
CITY RECORDER'S OFFICE
P.O. BOX 145515
SALT LAKE CITY, UTAH 84114-5515

OWNER:

Central Station Apartments, LLC, a Utah limited liability company

By GRB HOUSING III, LLC, a Utah limited liability company, its managing member

By Gardner Batt, LLC, a Utah limited liability company, its manager

By Michael D. Batt
Name: Michael D. Batt
Title: Manager

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 21st, 2019, by October, as MANAGER of Gardner Batt, a Utah limited liability company, as manager of GRB HOUSING III, LLC, a Utah limited liability company, as managing member of Central Station Apartments, LLC, a Utah limited liability company.

Michael D. Batt

Berta Lou Shingleton

NOTARY PUBLIC

Residing at: 4448 WSKYF DR SO JORDAN, UT 84009

My Commission Expires: 2/18/2023

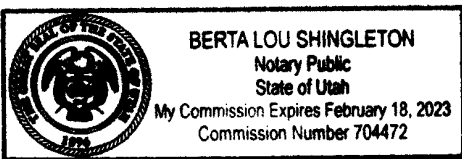


EXHIBIT A

Description of the Property

That certain real property located in Salt Lake County, Utah more particularly described as follows:

PARCEL 1:

Commencing 12 rods East from the Northwest corner of Lot 5, Block 63, Plat "A", Salt Lake City Survey and running thence East 113.5 feet; thence South 165 feet; thence West 113.5 feet; thence North 165 feet to the point of beginning.

PARCEL 1A:

A right of way as set forth in that certain Decree of Distribution (and various documents of record) recorded September 27, 1932 as Entry No. 702460 in Book 94 at Page 543 of official records, to wit:

Commencing 2 feet West of the Northeast corner of said Lot 5 and running thence West 1 rod; thence South 10 rods; thence East 1 rod; thence North 10 rods of the place of beginning.

Parcel numbers 15-01-151-002, 15-01-151-003, 15-01-151-004