



**MODERATE INCOME HOUSING AGREEMENT**

THIS MODERATE INCOME HOUSING AGREEMENT (this “*Agreement*”) is made and entered into as of the 12<sup>th</sup> day of March, 2024, by and between ESTATES MANAGERS, LC, a Utah limited liability company (such party, or any successor or assign of such party as developer of the Residential Project (as defined below), “*Developer*”), and FRANCIS CITY, a political subdivision of the State of Utah (the “*City*”). (Developer and the City are referred to in this Agreement collectively as the “*Parties*,” and individually as a “*Party*.”)

**RECITALS:**

A. Developer owns approximately 4.37 acres of land located in Francis City, Summit County, Utah, and intends to develop, or to sell for development, on such land a residential townhome project (the “*Residential Project*”), as generally depicted on the drawing attached as Exhibit A.

B. The Residential Project is intended to be developed under the zoning designation of “Conservation Subdivisions,” as defined in Chapter 17.60.005 of the Francis City Code (the “*Code*”), with twenty-three (23) townhomes to be constructed as part of the Residential Project (once constructed, the “*Townhomes*”).

C. The Parties have agreed that, when constructed and sold, seven (7) (only) of the Townhomes will be sold as “Moderate Income Housing,” as defined in Chapter 17.55.020 of the Code. (Such seven (7) constructed Townhomes are referred to in this Agreement collectively as the “*MIH Townhomes*,” and individually as an “*MIH Townhome*.”)

D. Developer has received all necessary land use approvals from the City to develop the Residential Project with the Townhomes.

E. In order to memorialize the agreement of the Parties with respect to the MIH Townhomes, the Parties desire (i) to enter into this Agreement, and (ii) to enter into and record the Declaration and Agreement for Moderate Income Housing Deed Restrictions (the “*Declaration*”) attached as Exhibit B. In the event of any conflict between this Agreement and the Declaration, the Declaration shall control.

**NOW, THEREFORE**, in consideration of the foregoing recitals, the following mutual covenants and understandings, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree to the following:

**TERMS:**

1. Moderate Income Housing. Prior to the sale of the seventeenth (17<sup>th</sup>) Townhome to be sold within the Residential Project, Developer shall designate in writing to the City the seven (7) MIH Townhomes, and record such notice in the Summit County Recorder’s Office in the form of an amendment to the Declaration. When the MIH Townhomes are first offered for sale, (a) the first preference for purchase of the MIH Townhomes will be given to the City’s “Critical Workforce,” as defined in the Declaration, and (b) advertising and marketing efforts for the Townhomes will identify, and specify that members of the Critical Workforce will be given a preference to purchase, the MIH Townhomes. Each MIH Townhome will not be initially sold for a sales price in excess of the maximum sales price set forth in Section 2.2 of the Declaration. The MIH Townhomes will be encumbered by the Declaration to ensure that the MIH Townhomes will continue to qualify as “income targeted housing,” as defined in Utah Code §17C-1-102(32), for a period of thirty (30) years after the “Effective Date,” as defined in the Declaration. The restrictions in the Declaration grant the City authority to enforce the restrictions.

2. Qualifications. As set forth in the Declaration, in order to qualify to purchase an MIH Townhome, the purchasing household's annual income must be between 81% and 120% of the Summit County area household median income, except as otherwise set forth in the Declaration.

3. Complete Agreement. This Agreement, and the attached Exhibits and documents referred to in this Agreement or executed contemporaneously with this Agreement, constitute the entire agreement between the Parties with respect to the subject matter of this Agreement. This Agreement supersedes all prior written, and all prior or contemporaneous oral, agreements, representations, warranties, statements, promises and understandings with respect to the subject matter of this Agreement.

4. Further Instruments. The Parties shall execute all other documents or instruments that may be necessary or required to carry out and effectuate all of the provisions of this Agreement without any further cost to either Party and within a reasonable time.

5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

6. Alterations and Waivers. The waiver, amendment or modification of any provision of this Agreement or any right, power or remedy hereunder, whether by agreement of the Parties or by custom, course of dealing or trade practice, shall not be effective unless in writing and signed by the Party against whom enforcement of such waiver, amendment or modification is sought. No failure or delay by any Party in exercising any right, power or remedy with respect to any provision of this Agreement shall operate as a waiver of such provision with respect to such failure or delay.

7. Authority. Each Party represents and warrants that (a) such Party has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and (b) the individual executing this Agreement on behalf of such Party is duly authorized to execute this Agreement on behalf of such Party.

8. Time is of the Essence. Time is of the essence in the performance of all obligations of this Agreement.

9. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding on, the Parties and their respective successors and assigns, and shall constitute an agreement running with the land as set forth in the Declaration.

10. No Third-Party Beneficiaries. The provisions of this Agreement are and will be for the benefit of the Parties only and are not for the benefit of any third party. Accordingly, no third party shall have the right to enforce the provisions of this Agreement.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of Utah.

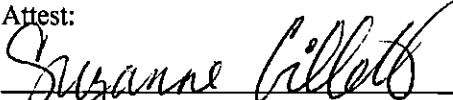
12. Incorporation of Exhibits and Recitals. The Exhibits attached hereto and Recitals set forth above are incorporated into and are part of this Agreement as if fully set forth herein.


13. Term of Agreement. The term of this Agreement shall commence as of the Effective Date and continue in full force and effect only for a period of thirty (30) years from the Effective Date, and shall thereafter automatically terminate and have no further force or effect.

**CITY:**

**FRANCIS CITY,**  
a political subdivision of the State of Utah

Attest:

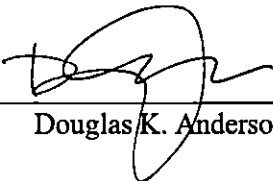
  
\_\_\_\_\_  
City Recorder

By:   
\_\_\_\_\_  
Jeremie Forman, Mayor

**DEVELOPER:**

**ESTATES MANAGERS, LC,**  
a Utah limited liability company,  
by its Manager:

**MANAGEMENT PARTNERS US LLC,**  
a Nevada limited liability company

By  \_\_\_\_\_  
Douglas K. Anderson, Manager



## **BOUNDARY DESCRIPTION**

### **PARCEL FT-2118-A**

Beginning at a points that is N 89°35'44" E 1,836.32 feet along the section line and North 643.82 feet from the Southwest Quarter Corner of Section 34, Township 2 South, Range 6 East, Salt Lake Base and Meridian, said point being on the Stewart Ranches Subdivision Phase 2 boundary, and running thence along said boundary the next seven (7) calls; (1) Thence North 329.72 feet; (2) Thence N 66°19'44" W 14.70 feet to a point on a 80.00 foot radius curve to the right; (3) Thence 92.66 feet along the arc of said curve through a central angle of 66°21'48" (chord bears N 33°08'50" W 87.57 feet); (4) Thence N 00°02'04" E 54.17 feet; (5) Thence S 89°57'56" E 338.31 feet; (6) Thence S 00°02'04" W 64.45 feet; (7) Thence S 51°47'44" E 283.25 feet to the boundary line of Stewart Ranches Subdivision Phase 1, thence along said boundary the following three (3) calls; (1) Thence S 38°12'16" W 72.39 feet to a point on a 177.00 foot radius curve to the left; (2) Thence 118.92 feet along the arc of said curve through a central angle of 38°29'46" W (chord bears S 18°57'23" W 116.70 feet); (3) Thence S 00°17'31" E 53.91 feet; Thence S 89°42'37" W 417.13 feet to the point of beginning.

Contains: 4.37 Acres (23-Lots and 2-Open Space Parcels)

**Exhibit B**

**Declaration**

(See attached)

**WHEN RECORDED, RETURN TO:**

Francis City  
2317 South Spring Hollow Road  
Francis, Utah 84036

Tax Parcel No. FT-2118-A

---

**DECLARATION AND AGREEMENT FOR  
MODERATE INCOME HOUSING DEED RESTRICTIONS**

**THIS DECLARATION AND AGREEMENT FOR MODERATE INCOME HOUSING DEED RESTRICTIONS** (this "*Declaration*"), dated March 15, 2024, is effective as of the date (the "*Effective Date*") this Declaration is recorded in the Summit County, Utah Recorder's Office (the "*Recorder's Office*"), and is entered into by and between **ESTATES MANAGERS, LC**, a Utah limited liability company (such party, or any successor or assign of such party as developer of the Residential Project (as defined below), "*Developer*"), and **FRANCIS CITY**, a political subdivision of the State of Utah (the "*City*"). (Developer and the City are referred to in this Declaration collectively as the "*Parties*," and individually as a "*Party*.")

**RECITALS:**

A. Developer owns certain land (the "*Land*") located in Francis City, Summit County, Utah, which has been platted by subdivision into the following lots:

Lots 301 to 323, STEWART RANCHES SUBDIVISION PHASE THREE, according to the official plat thereof as recorded in the office of the Summit County Recorder.

B. Developer intends to develop, or to sell for development, the Land as a residential project (the "*Residential Project*").

C. The City desires for Developer to create within the Residential Project certain "Moderate Income Housing," as defined in Chapter 17.55.020 of the Francis City Code, with a preference for the City's Critical Workforce (as defined below).

D. The City's approval of the Residential Project was granted in exchange (in part) for Developer designating, in accordance with this Declaration, seven (7) to-be-constructed townhomes (when constructed, the "*MIH Townhomes*") as Moderate Income Housing, which (i) qualify as "income targeted housing," as defined in UCA §17C-102(32), and (ii) when sold, will be sold to persons with an annual household income of between 81% to 120% of the then-existing Summit County household median income, subject to the terms and conditions of this Declaration.

**AGREEMENT:**

**NOW THEREFORE**, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:



1. Definitions. Each of the following terms shall have the meaning indicated:

**“Critical Workforce”** means a person then employed and working full time (at least 30 hours of employment per week) within the geographical boundaries of the City or Summit County as a: police officer, firefighter, paramedic or emergency medical technician; teacher or staff worker in a public school; municipal employee of the City; active military member; veteran; or first-time homebuyer.

**“CW Qualified Purchaser”** means a Qualified Purchaser who is also a member of the Critical Workforce at the time of contracting to purchase an MIH Townhome, and is purchasing the MIH Townhome as such person’s Primary Residence. The City may, at any time, submit a list of, or refer, CW Qualified Purchasers known to the City to any selling Owner, which shall in no event be considered a complete or exhaustive list of eligible CW Qualified Purchasers.

**“Domicile”** means the place where an individual has a fixed permanent home, to which the individual, if absent, intends to return, and in which the individual and his family 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.

**“Non-Qualified Purchaser”** means any purchaser of an MIH Townhome that is not a Qualified Purchaser.

**“Owner”** means the title owner of record in the Recorder’s Office of at least a fifty percent (50%) interest in an MIH Townhome.

**“Owner-Occupied”** means an MIH Townhome that is occupied by its Owner as such Owner’s Primary Residence.

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

**“Qualified Purchaser”** means the purchaser of an MIH Townhome having a household annual income at the time of contracting to purchase an MIH Townhome of between 81% and 120% of the Summit County household median income as established by the United States Census Bureau or other reputable source reasonably selected by Developer.

**“Sale”** (or any derivative thereof, for example, “sales,” “sold” and “sell”) means the transfer of title to an MIH Townhome, regardless of whether or not any consideration is provided to the transferor in exchange, including, without limitation: any gift, assignment or other transfer or conveyance of title; or any sale following foreclosure or pursuant to a court order or stipulation, but excluding: a conveyance by a CW Qualified Purchaser or a Qualified Purchaser to an *inter vivos* living trust or limited liability company, wholly owned by such person, for tax or estate planning purposes; or the devise by will or intestacy on the death of a CW Qualified Purchaser or a Qualified Purchaser.

2. Sale of MIH Townhomes.

2.1. Initial Sale. The Initial Sale (as defined below) of each MIH Townhome shall be only to Qualified Purchasers with a preference for CW Qualified Purchasers, except as otherwise expressly provided in this Declaration.

2.2. Initial Pricing. The sales price offered for the Initial Sale of each MIH Townhome shall not be greater than Nine Hundred Seventy-Three Thousand Five Hundred Dollars (\$973,500) if made

within the first twelve months after the Effective Date, which maximum sales price shall increase by eight percent (8%) on each anniversary, if any, after the Effective Date and prior to the date on which such Initial Sale occurs.

2.3. Subsequent Pricing. In no event shall an MIH Townhome be sold after the Initial Sale for (a) an amount in excess of the actual purchase price such selling Owner paid for the MIH Townhome, (b) plus an increase of six percent (6%) on each anniversary, if any, after the date of purchase to and including the date of sale of the MIH Townhome, and (c) together with the actual amounts paid by the selling Owner for real estate commissions, closing costs and capital improvements.

2.4. Preference to CW Qualified Purchasers. Concurrently with listing or offering an MIH Townhome for sale, the Owner of such MIH Townhome shall give written notice (a "*Sales Notice*") to the City of such listing or offering. During the thirty (30) days after a Sales Notice is given to the City, such Owner may only accept offers to purchase such MIH Townhome from a CW Qualified Purchaser. During the sixty (60) days after such thirty (30)-day period, such Owner may only accept offers to purchase such MIH Townhome from a Qualified Purchaser (which, for clarity, by definition, includes a CW Qualified Purchaser). If during the ninety (90)-day period after a Sales Notice is given to the City, such Owner does not receive any offer to purchase such MIH Townhome from a Qualified Purchaser that is acceptable to such Owner and results in the consummation/closing of the sale of such MIH Townhome, then such Owner may thereafter accept an offer from a Qualified Purchaser or a non-Qualified Purchaser, but in all events the sale of such MIH Townhome shall be subject to the pricing limitations set forth in Sections 2.2 and 2.3, as are applicable to the Owner concerned.

### 3. Additional Restrictions and Conditions.

3.1. Owner Occupancy. Following the initial sale (the "*Initial Sale*") of an MIH Townhome by Developer to a non-commercial Owner, such as an individual, couple or family homeowner, such MIH Townhome shall be Owner-Occupied. For clarity, any sale by Developer or a subsequent commercial Owner to another developer or commercial entity, whether the MIH Townhomes are, following such sale, held for sale or rental, shall not be considered an Initial Sale. Any exceptions to this requirement must be granted in writing by the City.

3.2. Rental of MIH Townhomes. Following the Initial Sale of an MIH Townhome: (a) no Owner of such MIH Townhome may rent or lease such MIH Townhome unless the City, at its sole discretion, has provided prior written approval; and (b) if approval to rent or lease is granted, the term shall not total more than twenty-four (24) months; *provided, however,* that if the City fails to provide approval or disapproval within thirty (30) days after receipt of written request from such Owner, such request shall be deemed to be approved.

4. Deed Language. All deeds conveying the MIH Townhomes shall include the following provision: "Subject to the restrictions and provisions of the Declaration and Agreement for Moderate Income Housing Deed Restrictions recorded on [insert date] as Entry No. [insert Entry No.] in the Records of the Summit County Recorder."

5. Enforcement of Declaration. The Parties acknowledge that the primary purpose for requiring compliance by Owners of MIH Townhomes with the restrictions provided in this Declaration is to assure that the purposes and goals of this Declaration are met. **BY REASON THEREOF, IN ADDITION TO ALL OTHER REMEDIES PROVIDED AT LAW OR IN EQUITY, THE CITY SHALL BE ENTITLED FOR ANY BREACH OF THE PROVISIONS OF THIS DECLARATION TO OBTAIN SPECIFIC PERFORMANCE BY ANY OWNER OF SUCH OWNER'S OBLIGATIONS UNDER THIS DECLARATION IN THE THIRD DISTRICT COURT FOR THE**

**STATE OF UTAH.** Each Owner specifically acknowledges that the City cannot be adequately compensated by monetary damages in the event of a violation of the restrictive covenants in or the terms of this Declaration.

6. Miscellaneous.

6.1. Term of Declaration; Subordination. The term of this Declaration shall commence as of the Effective Date and continue in full force and effect for a period of thirty (30) years from the Effective Date, and shall thereafter automatically terminate and have no further force or effect. Notwithstanding anything contained in this Declaration to the contrary, this Declaration is and shall be subordinate and junior to any *bona fide* first lien deed of trust or mortgage recorded against any subdivided lot comprising the Land.

6.2. Severable Obligations and Liabilities. An Owner of any particular MIH Townhome shall not be liable for, or encumbered by, the violation of the obligations or the liabilities under this Declaration of any other Owner occurring before or after the period of such Owner's ownership of such MIH Townhome.

6.3. Notices. All notices and demands required or desired to be given hereunder shall be in writing and shall be validly given or made if deposited in the United States mail, certified, postage prepaid, return receipt requested, or sent by Federal Express or other similar courier service keeping records of deliveries and attempted deliveries. Service by mail or courier shall be conclusively deemed made on the first business day on which delivery is attempted. The Parties may change their respective addresses for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the other Party, which notice of change of address shall not become effective, however, until the actual receipt thereof by the other Party.

Any notice or demand to Developer shall be addressed to Developer at the following address:

Estate Managers, LC  
Attn: Douglas K. Anderson  
P.O. Box 520370  
Salt Lake City, Utah 84152

Any notice or demand to the City shall be addressed to the City at the following address:

Francis City  
Attn: Mayor  
2317 South Spring Hollow Road  
Francis, Utah 84036

Any notice or demand to a non-Party Owner shall be addressed to such Owner at the then-current mailing, notice or delivery address on the records of the Summit County Assessor.

6.4. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such a manner as to be valid under applicable law. If any provision of this Declaration shall be invalid or prohibited under applicable law, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions in this Declaration.

6.5. Attorneys' Fees. If either Party or any other Owner shall take or defend against any action for enforcement or other relief arising out of this Declaration, and such Party or Owner is the

prevailing party in such action or defense, such Party or Owner shall be entitled to reimbursement for all costs including, but not limited to, reasonable attorneys' fees and court costs incurred by such Party or Owner in such action or defense and enforcing any judgment granted therein, all of which costs shall be deemed to have accrued on the commencement of such action or defense and shall be paid whether or not such action or defense is prosecuted to judgment.

6.6. Choice of Law. This Declaration shall be governed by, and construed in accordance with, the laws of the State of Utah.

6.7. Successors. This Declaration shall run with the land and be binding on the Parties and all other Owners, together with their respective heirs, successors and assigns.

6.8. Paragraph Headings. Paragraph or section headings within this Declaration 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.

6.9. Gender And Number. Whenever the context so requires in this Declaration, 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.

6.10. Modifications. Any modifications of this Declaration shall be effective only when made by writings signed by the Parties, or their successors, and recorded in the Recorder's Office.

6.11. Recordation. On execution and delivery of this Declaration by Developer and the City, the City shall cause this Declaration to be recorded in the Recorder's Office, and shall pay any fees and charges incurred in connection therewith.

6.12. Covenants Run With Land. This Declaration and the covenants and restrictions set forth in this Declaration shall be covenants running with the land, for the benefit of the City, shall encumber the MIH Townhomes, and shall be binding on the Parties, the other Owners and their respective heirs, successors and assigns.

6.13. Integration. This Declaration constitutes the entire agreement between the Parties with respect to the matters set forth herein.



