

WHEN RECORDED, MAIL TO:
Salt Lake City Corporation
c/o Housing and Neighborhood Development
451 South State Street, Room 445
PO Box 145487
Salt Lake City, Utah 84114-5487

13009787
6/14/2019 2:44:00 PM \$40.00
Book - 10792 Pg - 1674-1682
RASHELLE HOBBS
Recorder, Salt Lake County, UT
INGEO SYSTEMS
BY: eCASH, DEPUTY - EF 9 P.

RESTRICTIVE USE AGREEMENT

RECORDED

JUN 12 2019

PARCEL 2 RESIDENTIAL

CITY RECORDER

This Restrictive Use Agreement ("Agreement") is made and entered into as of June 13, 2019, by and between SALT LAKE CITY CORPORATION, a Utah municipal corporation ("City"), the Redevelopment Agency of Salt Lake, a public agency ("RDA"), and Downtown SLC B LLC, a New York limited liability company ("Owner"). City, RDA, and Owner may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

A. Pursuant to that certain agreement for the purchase and sale of real property, entered into by and between the City and DOWNTOWN SLC PARTNERS LLC, a New York limited liability company ("Buyer"), dated February 8, 2018, as amended ("Purchase Agreement"), City agreed to sell the property located at 447 South Blair Street, Salt Lake City as more particularly on Exhibit A (the "Property") to Buyer under the terms and conditions of the Purchase Agreement.

B. Pursuant to that certain Loan Agreement dated of even date herewith, RDA, as Lender, has agreed to make a loan to Owner, as Borrower, in the amount of Three Million Dollars and No/100 (3,000,000.00) ("Loan") for the purpose of financing the development of the Property.

C. As a condition of the Purchase Agreement, and as a condition of the Loan, Owner agrees to certain restrictive covenants governing the use of the Property as described herein. City would not have agreed to enter into the Purchase Agreement and convey the Property and RDA would not provide the Loan if Owner had not agreed to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledges, the Parties agree as follows:

1. Restrictive Conditions and Covenants: In consideration of the City conveying the Property to the Buyer, and RDA granting the Loan to Owner, Owner, an affiliate owned and controlled by Buyer, agrees for itself, its successors and assigns, to fully comply with the following restrictive conditions and covenants:

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P.O. BOX 145515
SALT LAKE CITY, UTAH 84114-5515

(a) Residential Units: Owner shall provide and maintain 126 ($\pm 5\%$) apartment units that shall include studio and one-bedroom units ranging between 250-500 square feet/unit.

(b) Residential Restrictions:

(i) The residential units shall include at least 40 units for households making 40% or less of the Area Median Income ("AMI") adjusted for family size in accordance with the Internal Revenue Code of 1986, as amended (the "Code") for a maximum monthly rental fee in accordance with Section 42 of the Code, and

(ii) The residential units shall include at least 40 units for households making 80% or less of the AMI adjusted for family size in accordance with the Code, for a maximum monthly rental fee in accordance with Section 42 of the Code, and

(iii) The residential units shall include at least 46 units with a maximum rental fee which is affordable to tenants whose annual income does not exceed 80% AMI adjusted for family size in accordance with the Code, for a maximum monthly rental fee in accordance with Section 42 of the Code; and

(iv) These units shall be referred to herein as the "Restricted Units".

(c) The Restricted Units shall consist of a proportionate number of each unit type as described above and be located throughout the Property without the need to permanently identify specific Restricted Units as long as there are the required number of unit types located within the Property at any given time rented or available for rent according to the requirements of this Agreement.

(d) Amenity Space: The Owner shall provide and maintain on the Property during the Term 2,364 ($\pm 5\%$) square feet of amenity space.

(e) Parking: The Owner shall provide and maintain on the Property during the Term 59 ($\pm 5\%$) parking spaces located in the building.

(f) Owner will permit annual inspections at reasonable times by City and RDA to determine compliance with these conditions and covenants.

(g) Owner will provide an initial report demonstrating compliance with affordability requirements at full occupancy and provide annual affordability documentation each year, no later than thirty (30) days subsequent to December 31, being the end of the reporting year, during the Term.

(h) Owner will maintain a mural onsite, midblock walkway easement, and other improvements that meet the requirements consistent with planning approvals PLNPCM2018-00470 and PLNSUB2018-00434 documented in the Record of Decision dated October 11, 2018.

2. Default and Remedies. In the event of a default of any of Owner's obligations under this Agreement, Owner shall have thirty (30) days to cure such default following written notice of the default by City or RDA to Owner. Following an uncured default, either City or RDA, or both, shall be entitled to exercise any and all rights available at law or in equity, including, without limitation, the remedy of specific performance to require the Property to be used and operated as required hereunder. Additionally, City, RDA, or both shall be entitled to recover from Owner any and all costs and expenses incurred by City and RDA in enforcing the terms and conditions of this Agreement, including City's and RDA's reasonable attorney fees.

3. Term and Termination of this Agreement; Completion Certificate.

(a) The term of this Agreement shall be for fifty (50) consecutive years from the date of recordation hereof in the official real property records of Salt Lake County, Utah Agreement (the "Term"). At the expiration of the Term this Agreement shall automatically terminate without the need for any further action on the part of the Parties, City will issue to Owner a "Completion Certificate," in recordable form evidencing such automatic termination within 15 days of Owner's request.

(b) The Completion Certificate will be a conclusive determination of satisfaction and termination of this Agreement. It will be in a recordable form. If City fails to prove the Certificate in a timely manner, then following a written request by Owner, shall provide a written statement indicating which covenants and conditions of this Agreement or the Home Buyer Agreement are not in compliance and how Owner can come into compliance in order to obtain the Certificate.

4. Runs with the Land. This Agreement and the covenants and restrictions herein are binding and run with the land during the Term, 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 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. City and RDA 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.

5. General Provisions.

(a) 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.

(b) Entirety and Amendments. This Agreement, together with the Purchase Agreement and other Purchase Agreement documents (as defined in the Purchase Agreement),

embodies the entire agreement between the Parties and supersedes any prior agreements and understandings, if any, relating to the Property or any portion thereof and may be amended or supplemented only by an instrument in writing executed by City, RDA, and Owner.

(c) 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.

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

(e) 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.

(f) 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.


[Remainder of page intentionally left blank.]

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P.O. BOX 145515
SALT LAKE CITY, UTAH 84114-5515

IN WITNESS WHEREOF, the Parties have entered into this Agreement as the date set forth above.

OWNER:

DOWNTOWN SLC B LLC,
a New York limited liability company

By  _____
Matthew Schwartz, its sole member

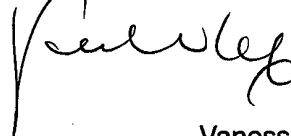
STATE OF Louisiana)
Parish : ss.
COUNTY OF Orleans)

On the 23rd day of May, 2019, before me, the undersigned Notary Public, personally appeared Matthew Schwartz, who acknowledged himself to be the sole member of Downtown SLC B LLC, a New York limited liability company, and that he executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company by himself as such officer.

Residing at:

Orleans Parish, Louisiana

NOTARY PUBLIC



Vanessa W. Graf
Attorney/Notary Public
State of Louisiana
LSBA No. 36860

PROPERTY OF SALT LAKE
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SALT LAKE CITY, UTAH 84114-5515

CITY:



SALT LAKE CITY CORPORATION, a Utah municipal corporation

RECORDED

JUN 12 2019

CITY RECORDER

By Jacqueline M. Biskupski
Jacqueline M. Biskupski, Mayor

ATTEST:
Salt Lake City Recorder's Office

[Signature]
City Recorder

APPROVED AS TO FORM:
Salt Lake City Attorney's Office

[Signature]
Kimberly K. Chytraus, Senior City Attorney

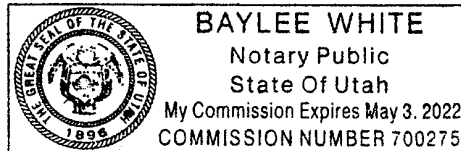
STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 11 day of June, 2019 personally appeared before me Jacqueline M. Biskupski, who being by me duly sworn did say she is the Mayor of Salt Lake City Corporation, and that the within and foregoing instrument was signed on behalf of the City.

NOTARY PUBLIC
Residing at: SLC, UT

My Commission Expires:
May 3, 2022

[Signature]



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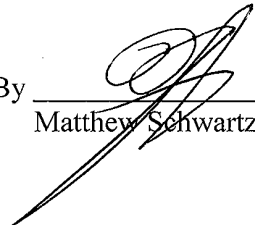
IN WITNESS WHEREOF, the Parties have entered into this Agreement as the date set forth above.

OWNER:

DOWNTOWN SLC B LLC,
a New York limited liability company


By: Downtown SLC B Residential LLC,
its manager

By: Downtown SLC B Managing Member LLC,
its managing member

By  _____
Matthew Schwartz, Authorized Signatory

STATE OF Louisiana)
Parish : ss.
COUNTY OF Orleans)

On the 12th day of June, 2019, before me, the undersigned Notary Public, personally appeared Matthew Schwartz, who acknowledged himself to be the Authorized Signatory of Downtown SLC B Managing Member LLC, the managing member of Downtown SLC B Residential LLC, the sole member of Downtown SLC B LLC, a New York limited liability company, and that he executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company by himself as such officer.


NOTARY PUBLIC

Residing at: New Orleans, Louisiana

Jeffery Phillips Good
Notary Public
LA Bar Number 88155
My Commission is for Life

EXHIBIT A

(To Restrictive Use Agreement)

PROPERTY DESCRIPTION

[See attached legal description for residential condominium]

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Residential

Real property in the City of Salt Lake City, County of Salt Lake, State of Utah, described as follows:

PARCEL 1:

UNITS 100, 201, 301, AND 401, THE EXCHANGE B CONDOMINIUMS, AS THE SAME IS IDENTIFIED IN THE EXCHANGE B CONDOMINIUMS PLAT RECORDED IN SALT LAKE COUNTY, UTAH, ON June 13, 2019 AS ENTRY NO. 13008781 IN BOOK 2019P, PAGE 186 OF OFFICIAL RECORDS, AND IN THE DECLARATION OF CONDOMINIUM OF THE EXCHANGE B CONDOMINIUMS RECORDED IN SALT LAKE COUNTY, UTAH ON June 13, 2019 AS ENTRY NO. 13008782 IN BOOK 10791 AT PAGE 6126-6186 OF OFFICIAL RECORDS.

PARCEL 5:

LOT 3B, SALT LAKE CITY PUBLIC SAFETY BUILDING SUBDIVISION AMENDED & EXTENDED, ACCORDING TO THE OFFICIAL PLAT ON FILE IN THE OFFICE OF THE SALT LAKE COUNTY RECORDER.

ALSO:

A PORTION OF LOT 7 OF BLOCK 35, OF THE OFFICIAL SALT LAKE CITY SURVEY "PLAT B", AND ALSO SITUATE IN THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, SALT LAKE COUNTY, UTAH. THE BOUNDARIES OF WHICH ARE DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTHERLY RIGHT OF WAY LINE OF 400 SOUTH STREET, SAID POINT BEING NORTH 89°46'06" EAST 376.00 FEET FROM THE NORTHWEST CORNER OF LOT 5, BLOCK 35, PLAT "B", SALT LAKE CITY SURVEY, SAID POINT ALSO BEING SOUTH 89°46'06" WEST 284.44 FEET FROM THE NORTHEAST CORNER OF LOT 8 OF SAID BLOCK 35, SAID POINT ALSO BEING 724.00 FEET NORTH 00°02'38" WEST ALONG THE MONUMENT LINE AND 443.49 FEET NORTH 89°46'06" EAST FROM THE MONUMENT IN THE INTERSECTION OF 300 EAST STREET AND 500 SOUTH STREET, AND RUNNING THENCE NORTH 89°46'06" EAST 8.49 FEET ALONG SAID SOUTHERLY RIGHT OF WAY LINE TO THE WEST FACE OF A BACK OF EXISTING CURB AND CURB LINE; THENCE SOUTH 00°01'59" WEST 165.06 FEET ALONG SAID WEST FACE OF A BACK OF EXISTING CURB AND WEST FACE CURB LINE EXTENDED SOUTHERLY; THENCE SOUTH 89°45'54" WEST 7.72 FEET TO A POINT ON THE WESTERLY LINE OF THAT CERTAIN SPECIAL WARRANTY DEED RECORDED APRIL 25, 2012 AS ENTRY NO. 11377798 IN BOOK 10011 AT PAGE 6179, AT THE OFFICE OF THE SALT LAKE COUNTY RECORDER; THENCE NORTH 00°14'07" WEST 165.06 FEET (DEED =NORTH 00°14'24" WEST 165.00 FEET) ALONG SAID WESTERLY LINE TO THE POINT OF BEGINNING.

TAX PARCEL NUMBERS: (16-06-405-021-0000 & 16-06-405-022-0000)