

Restrictive Page 1 of 5

Gary Christensen Washington County Recorder
03/07/2024 09:41:42 AM Fee \$40.00 By
COTTONWOOD TITLE INSURANCE AGENCY,
INC.

Upon Recordation Return to:

Utah Non-Profit Housing Corporation
Attn: Lukas Ridd
223 W 700 S
Salt Lake City, UT 84101
TIN 56-6-2-23-44031

DEED RESTRICTION

This Deed Restriction ("Deed Restriction") is made effective as of January 17, 2024 (the "Effective Date"), by Utah Housing Preservation Fund, LLC, a Delaware limited liability company ("UHPF"), for the benefit of Utah Non-Profit Housing Corporation, a Utah non-profit corporation ("UNPHC"). UHPF and UNPHC may be referred to herein individually as a "party," or collectively as the "parties."

Recitals

A. Sunset Springs St. George, LLC, a Utah limited liability company ("Owner") is the owner of certain real property located in Washington County, Utah, as specifically described in Exhibit A attached hereto (the "Property").

B. Owner is a wholly owned subsidiary of UHPF.

C. UNPHC is the Managing Member of UHPF.

D. UHPF manages and directs the operations of the Property through Owner, with the mission of "Preserving Utah's existing affordable housing through the purchasing, remodeling, and then rent-stabilizing of housing units."

E. In connection with UHPF's and Owner's management and operation of the Property, UNPHC desires to impose certain restrictions on the Property as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as set forth below:

Restrictions

1. Nature of Restrictions. Subject to the terms of Section 2 below, the Property shall be used for the purpose of assisting families whose annual incomes do not exceed eighty percent (80%) of the median family income for the area (the "AMI"), as determined by the U.S. Department of Housing and Urban Development ("HUD"), with adjustments based on family size.

2. Rent Restrictions. One hundred percent (100%) of the units of the Property shall be rented to families whose annual incomes do not exceed eighty percent (80%) of the AMI. For the avoidance of doubt, the AMI limits described herein shall only apply to tenants and families at the time they move into units located within the Property. Existing tenants and families shall not be required to maintain an AMI below eighty percent (80%).

3. Non-Discrimination. UHPF will not discriminate against any tenant or prospective tenant because of race, color, religion, age, sex, sexual preference, national origin, familial status, source of income or disability. The UHPF will comply in all respects with all applicable federal, state and local laws, rules, regulations and Executive Orders relating to housing and employment.

4. Term. This Deed Restriction shall begin on the Effective Date and shall run for forty (40) years unless terminated pursuant to Section 8 below. The Deed Restriction shall automatically terminate on January 17th, 2064 (the "Termination Date") unless otherwise extended by the parties.

5. Notification of Non-Compliance. UHPF agrees not to take or permit to be taken any action which would have the effect or result of subjecting the Property to non-compliance with any state or federal requirements or any provisions of this Deed Restriction. If UHPF becomes aware of any incident or manner in which the Property does not comply with the Deed Restriction, UHPF shall notify UNPHC of such non-compliance within thirty (30) days of the date UHPF becomes aware of such non-compliance.

6. Restrictive Covenants. UHPF declares and covenants that the covenants, terms, provisions and restrictions set forth in this Deed Restriction shall run with the land and shall bind, and the benefits and burdens shall inure to, UHPF and UNPHC, and their respective successors and assigns, and all subsequent owners of the Property or any interest therein, for the duration of this Deed Restriction.

7. Enforcement. This Deed Restriction constitutes an enforceable restriction and runs with the title to the property. In the event of a violation of the Deed Restriction, UNPHC may institute and prosecute a proceeding to enforce the deed restriction, enjoin the continuing violation, and exercise any other rights and remedies provided by law or equity.

8. Early Termination. UNPHC may, in its sole discretion, terminate this Deed Restriction prior to the Termination Date, if (a) the Property is sold to a third-party; (b) UHPF ceases to manage the Property; or (c) the Property is no longer operated for the purposes set forth in this Deed Restriction.

9. Notices. All notices to be given pursuant to this Deed Restriction shall be in writing and shall be mailed by first class U.S. Mail, postage prepaid, to the parties at the addresses set forth below:

To UNPHC: Utah Non-Profit Housing Corporation, Inc.
223 W 700 S, Salt Lake City, UT 84101

To UHPF: Utah Housing Preservation Fund, LLC
223 W 700 S, Salt Lake City, UT 84101

10. Governing Law. This Deed Restriction shall be governed by and construed in accordance with the laws of the State of Utah, and where applicable, the laws of the United States of America.

11. Waiver. No action or failure to act by the parties shall constitute a waiver of any right or duty afford any party under this Deed Restriction, nor shall any such action or failure to act constitute

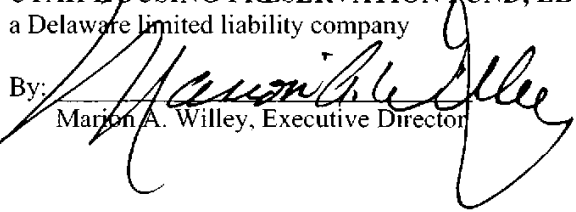
approval of or acquiescence in any breach hereunder, except as may be specifically agreed to in writing. A waiver by a party of a breach hereunder by the other party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

12. Modifications and Integration. This Deed Restriction may be modified by a writing signed by all of the parties hereto. This Deed Restriction constitutes the entire agreement of the parties with respect to the subject matter addressed herein. No other agreements, oral or written, pertaining to the matters herein exist between the parties. This Deed Restriction hereby supersedes any other agreement between the parties respecting the subject matter addressed herein.

13. Severability. If any provision of this Deed Restriction or the application thereof to any party or circumstance shall be invalid or unenforceable to any extent, the remainder of the Deed Restriction and the application of such provisions to any other party or circumstance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

[Signature Page Follows]

UTAH HOUSING PRESERVATION FUND, LLC,
a Delaware limited liability company

By: 

Marion A. Willey, Executive Director

STATE OF Utah)COUNTY OF SALT LAKE)

On the 27 day of February, 2024 personally appeared before me Marion Willey,
the signer of the foregoing instrument, who duly acknowledged to me that (s)he is the
Executive Director of Utah Housing Preservation Fund, LLC, a Delaware limited liability company,
and that (s)he executed the same in such capacity.

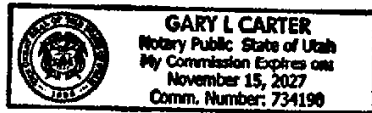

Notary Public
Residing at: SALT LAKE

EXHIBIT A

LEGAL DESCRIPTION

A parcel of land located in the North 1/2 of Section 23, and the South 1/2 of Section 14, Township 42 South, Range 16 West, Salt Lake Base and Meridian and being further described as follows:

Beginning at a point North 89°27'50" East 1152.366 feet along the Section line and South 00°00'00" East 165.785 feet from the Southwest corner of Section 14, and the Northwest corner of Section 23, Township 42 South, Range 16 West, Salt Lake Base and Meridian and running thence North 00°00'00" East 292.00 feet; thence North 60°15'00" East 206.42 feet; thence North 90°00'00" East 175.93 feet; thence South 00°00'00" East 908.74 feet to the Northerly Right of Way line of Sunset Boulevard; thence North 88°40'30" West 166.71 feet along said Sunset Boulevard; thence North 00°43'50" West 200.13 feet; thence North 88°40'30" West 530.24 feet; thence North 32°00'00" East 70.00 feet; thence North 60°00'00" East 147.00 feet; thence North 40°04'23" East 215.40 feet; thence North 89°27'50" East 41.10 feet to the point of beginning.