

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement is entered into this 24 day of February, 2005, by and between Wasatch County, a political subdivision of the State of Utah (hereinafter "the County") and DCP, L.L.C., a limited liability company (hereinafter "the Developer").

RECITALS

WHEREAS, the Developer is the owner of certain real property in Wasatch County, State of Utah, which property is more particularly described in Exhibit A, attached hereto and incorporated by reference herein; and

WHEREAS, the Developer has applied to the County to subdivide said real property and for approval of a clustered development on said property consisting of 60 single family residential units equaling 60 Equivalent Residential Units (hereinafter "the Project"); and

WHEREAS, the Project is more fully described in a Plat entitled "Deer Canyon Preserve" on file at the Wasatch County Recorder's Office (hereinafter "the Plat"), which Plat is incorporated by reference herein.

WHEREAS, the Wasatch County Code requires that the Developer enter into an Affordable Housing Agreement with Wasatch County as a condition of approval of the Project;

NOW THEREFORE, in consideration of the mutual covenants and promises described above and otherwise contained herein, the sufficiency of which is expressly acknowledged by the parties to this agreement, the parties now enter into the following:

AGREEMENT

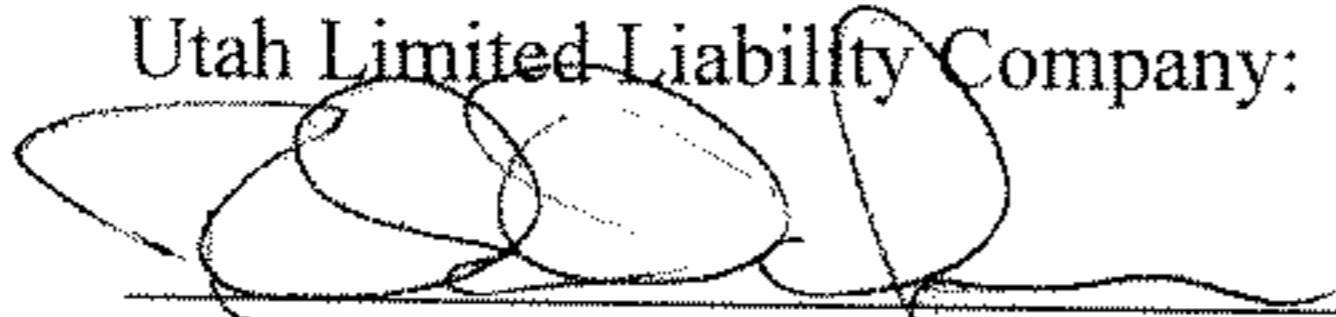
1. **Incorporation of Recitals**: The Recitals set forth above are incorporated into the body of this Agreement.
2. **Affordable Housing Requirements**: The Wasatch County Code requires that 10% of the Equivalent Residential Units in the Project be affordable housing units, or that the Developer pay to the County a fee-in-lieu to be used to promote affordable housing in Wasatch County. Accordingly, the affordable housing requirement for the Project is 6 affordable housing units, or an equivalent fee-in-lieu. The Wasatch County Housing Authority approved the transfer of the 6 affordable housing units to the Iroquois development which is also owned by DCP, LLC.
3. **Developer's Obligations**: Developer agrees to meet the foregoing affordable housing requirement as follows:

- a. **Construction of affordable housing units**: Developer shall build 6 affordable housing units in the Iroquois development. Units shall be dispersed throughout the development and approved by the Housing Authority.
4. **Satisfaction of Affordable Housing Requirements**: Performance of the Developer's obligations under this Agreement satisfies the Developer's obligation for affordable housing under the Wasatch County Code as applied to the development of the land described in Exhibit A, and the Project as described above and in the Plat.
5. **Remedies**: Failure by the Developer to perform in accordance with this Agreement will constitute failure to satisfy the affordable housing requirements of the Wasatch County Code. In the event of default by the Developer, the County shall have authority to exercise any and all remedies available at law or in equity, including the withholding of building permits for the lots shown on the Plat, to enforce the terms and conditions of this Agreement.
6. **Hold Harmless**: Developer agrees to indemnify, defend, and hold harmless (without limit as to amount) the County and its elected officials, officers, employees, and agents acting in their official capacity, from and against all loss, risk of loss, or damage, including reasonable attorney's fees, sustained or incurred because of or by reason of any claim, demand, suit, or cause of action arising out of or in any manner pertaining to Developer's actions or defaults under this Agreement.
7. **Entire Agreement**: This Agreement constitutes the entire Agreement between the parties, and no modification shall be binding unless reduced to writing and signed by the parties hereto.
8. **Duration of Agreement**: This Agreement shall terminate and become null and void upon the substantial completion of all affordable housing units to be constructed or renovated by the Developer.
9. **Successors**: This Agreement shall run with the land on which the Developer constructs or renovates the required affordable housing units. The Agreement shall be binding upon all successive owners of said land.
10. **Severability**: In the event any provision of this Agreement is held invalid, void or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.


IN WITNESS WHEREOF, the parties have hereunto set their hands this _____ day of _____, 200__.

LOTS 1-16 OPENSACLE + DETENTION BASIN
DEER CANYON PRESERVE PHASE 1

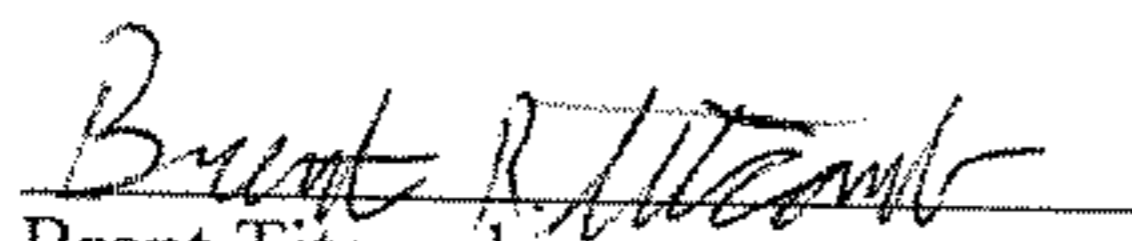
For the DEVELOPER:
DCP, L.L.C., a
Utah Limited Liability Company:


By: Richard T. Wolpe, Manager

For WASATCH COUNTY:


Mike Davis
County Manager

Attest:


Brent Titcomb
Wasatch County Clerk-Auditor

