

WHEN RECORDED RETURN TO:

Summit County Clerk
Summit County Courthouse
60 North Main Street
Coalville, UT 84017

ENTRY NO. 00860498

12/05/2008 01:55:44 PM B: 1959 P: 0051

Restrictive Covenants PAGE 1/16

ALAN SPRIGGS, SUMMIT COUNTY RECORDER

FEE 0.00 BY SUMMIT COUNTY CLERK



**FIRST AMENDMENT TO RESTRICTIONS CONCERNING
AFFORDABLE HOUSING UNITS AT BEAR HOLLOW VILLAGE**

This First Amendment to Restrictions Concerning Affordable Housing Units at Bear Hollow Village (this "Agreement" or the "Deed Restrictions") is made and entered into as of the 3 day of December, 2008 (the "Effective Date"), by **Bear Hollow Village Restoration LLC**, a Utah limited liability company ("Developer"), and **Summit County**, a political subdivision of the State of Utah, by and through its Board of County Commissioners (the "County").

RECITALS

A. Developer owns certain real property in the Bear Hollow Village Specially Planned Area in Summit County, Utah (the "Village SPA") that is designated as the Affordable Housing Units located at **Bear Hollow Village** (the "Affordable Units") as set forth in Exhibit "B" attached hereto and incorporated herein by reference.

B. The real property within the Village SPA is subject to that certain Development Agreement for the Bear Hollow Village Specially Planned Area (SPA) Plan dated July 28, 1998, which was recorded in the Office of the Summit County Recorder as Entry No. 513502, in Book 1168, at Page 109, as amended by that certain Amended and Restated Development Agreement Bear Hollow Village Specially Planned Area (SPA) Plan dated October 2, 2003, which was recorded in the Office of the Summit County Recorder as Entry No. 678624, in Book 1580, at Page 353 and further amended by that certain Second Amendment to the Bear Hollow Village Specially Planned Area Plan Development Agreement which was recorded in the Office of the Summit County Recorder as Entry No. 761386, in Book 1757, at Page 889 and the Affordable Housing Master Deed Restrictions for Bear Hollow Village dated February 17, 2000, which was recorded in the Office of the Summit County Recorder as Entry No. 559329, in Book 1307, at Page 846, which requires, among other things, that certain affordable housing units be constructed in connection with the development of the property within the Village SPA.

C. The Developer and County entered into that certain Restrictions Concerning Affordable Housing Units at Bear Hollow Village dated July 26, 2006 (the "Original Agreement") for the purpose of documenting the restrictions on certain housing units within the Village Spa. The Original Agreement was recorded in the Office of the Summit County Recorder on August 4, 2006, as Entry No. 786047 in Book 1808, Page 1051.

D. Developer and the County desire to enter into this Agreement to establish the affordable housing covenants that shall encumber and govern the sale and ownership of the Affordable Units. With respect to the Affordable Units, as identified in Exhibit "B," this Agreement shall amend and supersede, in its entirety, the Original Agreement. With respect to

all condominium units described in the Original Agreement other than the Affordable Units, as identified in Exhibit "B," the terms, provisions and restrictions of the Original Agreement shall continue to apply.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the covenants set forth herein, Owner hereby submits the Affordable Units to the following restrictions and covenants:

1. DEFINITIONS

1.1 County means the Summit County, Utah. Actions to be taken or decisions to be made by the County hereunder are to be taken or made by the Board of County Commissioners or the person, County employee, County department or third party designee selected by the Board of County Commissioners to carry out such responsibilities or to administer, generally, the affordable housing programs for the County.

1.2 Employment and/or Resident Qualified Buyer means a buyer that does not qualify as an Income Qualified Buyer but who is employed in Summit County or currently owns property or is currently renting property situated in Summit County as a primary residence.

1.3 First Mortgage means a Mortgage (as defined in Section 1.6 below) having priority as to all other Mortgages encumbering an Affordable Unit or any part thereof or interest therein.

1.4 Income Qualified Buyer means a buyer or buyers earning (on a combined basis if an Affordable Unit is being purchased by two individuals jointly) no more than eighty percent (80%) of the Summit County, Utah Area Median Income ("AMI") for a family size of the potential buyer as determined by the U.S. Department of Housing and Urban Development at the time of reference.

1.5 Maximum Sales Price means the sales price for each of the Affordable Units, as set forth by the County, as of the Effective Date, and as thereafter adjusted in accordance with the provisions of Section 2.7, below.

1.6 Mortgage means a mortgage, deed of trust or other security instrument (including a seller's rights under a contract for deed) by which an Affordable Unit or any part thereof or interest therein is encumbered.

1.7 Third Party Designee shall presently refer to Mountainlands Community Housing Trust and thereafter to any party designated by the County to represent its interest in enforcing these Deed Restrictions. All references to the County herein shall also convey such rights of the County to its Third Party Designee.

2. SELLING THE AFFORDABLE UNITS

2.1 Offer. In the event that any owner of an Affordable Unit ("Owner") desires to sell an Affordable Unit, such Owner shall first offer the Affordable Unit to the County at or below

the Maximum Sales Price, by delivering a written notice of such offer to the Summit County Clerk, 60 North Main Street, Coalville, Utah (the "Option"). Such Option is assignable at the election of the County to another governmental entity or nonprofit organization. The date the Owner delivers such notice to the County shall be the "Offer Date."

2.2 Exercise of Option. The County or its assignee shall have sixty (60) days after the Offer Date ("Option Period") to exercise the Option by delivering to the Owner written notice of the County's (or its assignee's) exercise of the Option ("Exercise Notice"). The County or its assignee shall use its best efforts to notify the Owner of whether the County or its assignee will exercise the Option as early as possible within the Option Period. If the County (or the County's assignee) elects to exercise the Option, the County or its assignee shall complete the acquisition of the Affordable Unit by paying to the Owner the Option sales price within thirty (30) days after delivering the Exercise Notice. If the County or its assignee (i) notifies the Owner that it will not exercise the Option, (ii) fails to deliver to Owner the Exercise Notice (or notice that it will not be exercising the Option) within the Option Period, or (iii) exercises the Option but fails to close within thirty (30) days after delivering the Exercise Notice, the Option shall automatically terminate with respect to such sale or offering for sale, without the need for further notice or documentation.

2.3 Sale to Qualified Buyer. Upon termination of the Option, as provided in Section 2.2, the Owner shall have the right to sell the Affordable Unit to a Qualified Buyer (as defined in Section 2.4 below).

2.4 Qualified Buyer. The County or its Third Party Designee shall maintain at its office a list (the "List") of persons meeting the County's requirements for qualified purchasers of Affordable Units ("Qualified Buyers"). There shall be two classes of Qualified Buyers: Income Qualified Buyers and Employment and/or Resident Qualified Buyers, as defined in Sections 1.4 and 1.2, respectively. There shall be separate Lists maintained for Income Qualified Buyers and for Employment and/or Resident Qualified Buyers. Each List shall rank the Qualified Buyers on such List according to the following criteria: (i) the amount of the purchase price that the Qualified Buyer is willing and able to pay, which amount shall not exceed the Maximum Sales Price, with the highest priority given to the Qualified Buyer willing to pay the most; (ii) the speed with which the Qualified Buyer is willing and able to close the transaction, with the highest priority given to the Qualified Buyer who can close the fastest; and (iii) the date that the Qualified Buyer applied to be placed on the List with the highest priority given to the Qualified Buyer with the earliest application date. Equal weight shall be given to each of the above criteria in ranking Qualified Buyers; however, in no event shall the seller of an Affordable Unit be obligated to sell to a Qualified Buyer who is not willing or able to pay the Maximum Sales Price for the Affordable Unit being offered. The County shall have the right to adopt written guidelines and policies to more specifically regulate eligibility, so long as such guidelines and policies are consistent with the criteria set forth above. In order to be placed on the List, a Qualified Buyer must deliver to the County evidence of being pre-qualified for sufficient financing to purchase an Affordable Unit.

2.5 Procedure for Sale to Qualified Buyer. First priority shall be given to Income Qualified Buyers. If the County does not exercise the Option, the Owner of an Affordable Unit shall exercise reasonable efforts to negotiate a sales contract for the Affordable Unit, based on

the ranking of Income Qualified Buyers. If there are no Income Qualified Buyers on the List, or if the Owner is not able to enter into a commercially reasonable contract to sell the Affordable Unit to an Income Qualified Buyer within thirty (30) days, the Owner shall than exercise reasonable efforts to negotiate a sales contract for the Affordable Unit with an Employment and/or Resident Qualified Buyer, based on the ranking of Employment and/or Resident Qualified Buyers on the List. Without limiting the generality of the term, a “commercially reasonable contract” shall be in the form of a Real Estate Purchase Contract approved by the Utah Division of Real Estate (“REPC”) for the sale of residential property or such other forms acceptable to an escrow company and that calls for an earnest money deposit of at least one percent (1%) of the sales price and a closing within not more than forty-five (45) days after the contract is entered into.

2.6 Sale to Non-Qualified Buyers. If there are no Qualified Buyers or if, after using reasonable efforts to sell the Affordable Unit to a Qualified Buyer, the Owner has not entered into a contract to sell the Affordable Unit to a Qualified Buyer within sixty (60) days after the termination of the Option, then the Owner shall have the right to sell the Affordable Unit to any person intending to occupy the unit as a primary residence at the Maximum Sales Price or less.

2.7 Maximum Sales Price. The initial Maximum Sales Price for each of the Affordable Units is set forth in Exhibit “C” attached hereto. In no event shall an Owner sell an Affordable Unit for an amount in excess of the following: (i) the Maximum Sales Price listed on Exhibit “C”, plus an increase of three percent (3.0%) of such price per year, compounded annually, from the Effective Date to the closing of the sale, plus (ii) the cost of Permitted Capital Improvements (as defined in Section 2.8 below and as shown in Exhibit “A”). Upon the closing of the sale the County or its Third Party Designee may charge to the Buyer an administrative fee not to exceed one-half of one percent (1/2 of 1%) of the Maximum Sales Price (the “List Inclusion Fee”). The purchaser of an Affordable Unit (“Buyer”) shall pay no more than the amounts set forth in this Section 2.7 and shall not pay any real estate commissions, seller closing costs, or other capital improvements attached to the Affordable Unit that are not Permitted Capital Improvements or any other costs or fees. A Buyer shall pay for all costs of financing obtained to purchase an Affordable Unit, the List Inclusion Fee (if applicable to such Buyer), and all other closing costs customarily paid by purchasers of similar property in Summit County.

2.8 Permitted Capital Improvements.

(a) General. As discussed in Section 2.7 above, in addition to charging up to the Maximum Sales Price, an Owner may also charge a Buyer for the cost of capital improvements (“Capital Improvements Charge”) as defined in Exhibit “A” which is attached hereto and incorporated herein by this reference (“Permitted Capital Improvements”). The Capital Improvements Charge shall not exceed ten percent (10%) of the Maximum Sales Price, unless otherwise approved by the County as set forth below. All such Permitted Capital Improvements installed or constructed over the life of the improvements to the Affordable Units shall qualify. The Capital Improvements Charge permitted by this Section 2.8 shall be calculated on a cumulative basis applicable to the original Owner and all subsequent Buyers, and shall not exceed the maximum dollar amount set forth in this Section 2.8. Notwithstanding anything to the contrary contained herein, the County may, at its sole discretion, approve in advance Permitted Capital

Improvements that will result in Capital Improvements Charges exceeding ten percent (10%) of the Maximum Sales Price ("Excess Capital Improvements Charges"). If Excess Capital Improvements Charges are not approved in advance by the County, an Owner shall not charge a Buyer a Capital Improvements Charges that exceeds ten percent (10%) of the Maximum Sales Price. The County shall have sole discretion to allow or disallow Excess Capital Improvements Charges.

(b) Exclusions. Permitted Capital Improvements shall not include any changes or additions to the Affordable Units made by the Developer during the initial construction of the Affordable Units.

(c) Qualifications. In order to qualify an improvement as a Permitted Capital Improvement, the Owner must furnish to the County the following information with respect to the improvements which the Owner seeks to include in the calculation of the Capital Improvements Charge:

(i) Original, or duplicate receipts to verify the actual costs expended by the Owner for the Permitted Capital Improvements;

(ii) Owner's affidavit verifying that the receipts are valid and correct receipts tendered at the time of purchase;

(iii) True and correct copies of any building permit or certificate of occupancy issued by the Summit County Building Department with respect to the Permitted Capital Improvements, if required.

(d) Out of Pocket Costs. In calculating the costs under this Section 2.8, only the Owner's actual out of pocket costs and expenses shall be eligible for inclusion. Such amount shall not include an amount attributable to the Owner's profit, labor (sweat equity) or to any appreciation in the value of the improvements.

2.9 No Guaranty.

NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTY BY THE COUNTY THAT THE OWNER SHALL BE ABLE TO SELL AN AFFORDABLE UNIT FOR THE MAXIMUM SALES PRICE.

3. RENTING THE AFFORDABLE UNITS

3.1 Maximum Rent. The rate at which an Owner shall rent any Affordable Unit shall not exceed the "Maximum Rent". For the purposes of this Agreement, "Maximum Rent" shall be the greater of: (i) the actual monthly mortgage payment (principal and interest) being paid by the Owner of the Affordable Units plus property taxes, homeowners' fees and property and liability insurance, pro-rated monthly or (ii) in the event there is no mortgage payment, an amount approved by the County or its Third Party Designee not exceeding maximum rents permitted by Utah Housing Corporation for Summit County for a family size of the tenant earning no more than 60% AMI.

4. TERM OF THIS AGREEMENT

The term of this Deed Restriction shall commence as of the Effective Date and shall continue in full force and effect in perpetuity unless terminated sooner by the agreement of the Owner and the County, or as otherwise provided herein (the "Term").

5. ENFORCEMENT

The County has the right to monitor compliance with the terms of this Agreement and to exercise all remedies available at law and in equity to ensure compliance by the Owner and his successors in interest. In addition, property owners are advised that selling or renting an Affordable Unit in contravention of the terms of this Agreement may expose the violator to criminal penalties.

6. MORTGAGE PROTECTION

6.1 Subordination to First Mortgages. This Agreement shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage encumbering an Affordable Unit and to all advances secured by the First Mortgage, including, without limitation, all sums advanced for the purpose of: (i) protecting or further securing the lien of the First Mortgage, curing any defaults by the borrower under the First Mortgage or for any other purpose expressly permitted by the First Mortgage or (ii) constructing, renovating, repairing, furnishing, fixturing or equipping such Affordable Unit.

6.2 Option to Acquire Unit from First Mortgagee. In the event that the holder of a First Mortgage not exceeding the Maximum Sales Price at the time of recording takes title to an Affordable Unit by way of trustee's sale, foreclosure, deed-in-lieu of foreclosure or other legal means, the County shall have the right to purchase such Affordable Unit by written notice to the holder of the First Mortgage within sixty (60) days of the date that the holder takes title to the Affordable Unit ("Exercise Period") provided the holder of the First Mortgage has served actual notice of such event by service upon the Summit County Clerk at the Summit County Courthouse, 60 North Main Street, Coalville, Utah. The purchase price to be paid by the County for such Affordable Unit shall be equal to the lesser of: (i) the amount of outstanding principal and other advances secured by the First Mortgage, but in no event greater than delinquent payments exceeding the servicer of said loan's guidelines or (ii) the Maximum Sales Price, plus (in either event) the sum of all taxes, interest, insurance, and title insurance. Provided that the lender has acted to enforce its remedies for any default within one hundred and eighty (180) days or within reasonable timelines established within the industry if greater, the purchase price may also include reasonable attorneys' fees and any other costs incurred to recover the Affordable Unit through a trustee's sale, foreclosure, deed-in-lieu of foreclosure or other legal means. In the event the County timely exercises such right to purchase the Affordable Unit, the County shall close on the purchase by tendering the full purchase price therefore to the holder of the First Mortgage within thirty (30) days following the date that the County gives notice of its intent to acquire the Affordable Units ("Closing Deadline").

6.3 No Impact on Foreclosure Sale. The foregoing provisions shall only apply in the event that the holder of a First Mortgage takes title to an Affordable Unit by way of trustee's

sale, foreclosure, deed-in-lieu of foreclosure or other legal means. Such provisions shall not impair the holder of a First Mortgage from causing an Affordable Unit to be sold at public sale, by way of judicial or non-judicial foreclosure. In the event of such public foreclosure sale the County shall have no rights greater or different than others bidding for the Affordable Units at such sale.

6.4 Bankruptcy Trustee's Sale. In the event of a bankruptcy trustee's sale, any purchaser at the trustee sale other than the holder of a First Mortgage as described above, shall take title subject to all of the terms and conditions of these and other restrictions which may encumber the Affordable Unit.

6.5 Termination of Agreement Upon Foreclosure. In the event that a purchaser other than the County acquires the Affordable Unit at a public foreclosure sale, or if the holder of a First Mortgage acquires an Affordable Unit and the County does not exercise its option to purchase the Affordable Unit by providing written notice to the holder of the First Mortgage within the Exercise Period and closing on such purchase by the Closing Deadline, as described above, then the provisions of this Agreement automatically terminate with respect to such Affordable Unit. In such event the Owner of such Affordable Unit may, but shall not be required to, file in the Office of the Summit County Recorder an affidavit or other notice of termination, reciting the events giving rise to the termination of this Agreement with respect to such Affordable Unit. Any such termination of this Agreement with respect to any particular Affordable Unit shall not affect the continuing enforceability of this Agreement with respect to other Affordable Units.

7. REMEDIES

7.1 Default. In the event of a breach of any of the terms, restrictions or covenants hereunder by the Owner of an Affordable Unit, the County shall be entitled to injunctive relief, or to any other remedy available at law or in equity for such breach. The prevailing party in any dispute hereunder shall be entitled to recover their reasonable attorneys' fees and costs incurred in connection with such dispute, regardless of whether litigation is pursued by either party. Following the proper transfer of an Affordable Unit by the Owner thereof, in compliance with the terms and provisions of this Agreement, the transferor of such Affordable Unit shall have no further liability under this Agreement with respect to the sold Affordable Unit.

7.2 Severable Obligations and Liabilities. The parties understand that Affordable Units may be owned by different individuals and entities. The Owner of a particular Affordable Unit, and the Affordable Unit itself shall not be liable for, or encumbered by, the obligations or liabilities under this Agreement associated with any other Affordable Units or Owners of any other Affordable Units.

7.3 Non-recourse. Once the Affordable Units are identified on Exhibit "B" and this Agreement has been recorded in the Office of the Summit County Recorder, the various owners, members, directors, officers, managers, employees, agents and contractors of Developer shall have no personal liability under this Agreement. The Developer's liability under this Agreement shall be limited solely to Developer's interest in the Affordable Units and the proceeds therefrom.

8. FEDERAL HOUSING ADMINISTRATION INSURANCE

8.1 Provisions Applicable to FHA Affordable Units. Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 8 shall govern any Affordable Unit encumbered by a Mortgage insured by the Federal Housing Administration (“FHA”) through the United States Department of Housing and Urban Development (“HUD”). For purposes of this Section 8, such Affordable Units shall be referred to as “FHA Affordable Units.” The provisions contained in the remainder of this Agreement shall be applicable to the FHA Affordable Units only to the extent such provisions do not conflict with the provisions of this Section 8. In the event of a conflict between the provisions of this Section 8 and any other term or provision of this Agreement, the provisions in this Section 8 shall control.

8.2 Option Period. When an Owner of an FHA Affordable Unit provides notice of an offer to the County as described in Section 2.1 above, the Option Period shall be forty-five (45) days rather than the sixty (60) days specified in Section 2.2.

8.3 Maximum Sales Price. An Owner of an FHA Affordable Unit may sell such unit for an amount less than or equal to the greater of: (i) the Maximum Sales Price plus an increase of three percent (3.0%) of such price per year, compounded annually, from the closing of the sale, plus the cost of Permitted Capital Improvements; or (ii) the sum of the Owner’s original purchase price for the FHA Affordable Unit, reasonable sales commissions not to exceed two percent (2%) of the sales price, costs of Permitted Capital Improvements and any accrued negative amortization.

8.4 Sale to Income Qualified Buyers. In the event of the sale of an FHA Affordable Unit, the provisions of Sections 2.3, 2.4, 2.5 and 2.6 shall apply except that there shall only be one class of Qualified Buyer, which shall be the Income Qualified Buyers as defined in Section 1.4. The Owner of an FHA Affordable Unit shall not be required to attempt to enter into a sales contract with an Employment and/or Resident Qualified Buyer as described in Section 2.5.

8.5 Remedies. Notwithstanding any other remedies provided for herein, in the event of a breach of any of the terms, restrictions or covenants of this Agreement by the Owner of an FHA Affordable Unit, the County’s remedies shall be limited to the following: (i) a suit by the County for recovery of any undue financial benefit the Owner obtained by an unauthorized sale; or (ii) a suit by the County to enforce the County’s Option. In no event shall the County have the right to void a conveyance of an FHA Affordable Unit after the occurrence of such conveyance.

8.6 Acquiring an FHA Affordable Unit from First Mortgagee. The provisions of Section 6.2 shall not be applicable to an FHA Affordable Unit. The County shall not have an option to purchase an FHA Affordable Unit in the event the holder of a First Mortgage takes title to an FHA Affordable Unit by way of trustee’s sale, foreclosure, deed-in-lieu of foreclosure or other legal means. However, in the event of a public sale, by way of a judicial or non-judicial sale, the County shall have the same rights as others bidding for the Affordable Units at such sale.

8.7 Termination of Agreement Upon Foreclosure. In the event: (i) a purchaser other than the County acquires an FHA Affordable Unit at a public foreclosure sale, (ii) the holder of a

First Mortgage acquires an FHA Affordable Unit by foreclosure or deed-in-lieu of foreclosure, or (iii) an FHA insured Mortgage for an FHA Affordable Unit is assigned to HUD, then the provisions of this Agreement automatically and permanently terminate with respect to such FHA Affordable Unit and that unit only. In such event the owner of such FHA Affordable Unit may, but shall not be required to, file in the Office of the Summit County Recorder an affidavit or other notice of termination, reciting the events giving rise to the termination of this Agreement with respect to such FHA Affordable Unit. Any such termination of this Agreement with respect to any particular FHA Affordable Unit shall not affect the continuing enforceability of this Agreement with respect to other Affordable Units. Any person, including the holder of a First Mortgage, its successors or assigns (other than the borrower named in such First Mortgage or a related entity of such borrower), but excluding the County, receiving title to an FHA Affordable Unit through a foreclosure or deed-in-lieu of foreclosure of a First Mortgage shall receive title to such unit free and clear of the terms, restrictions and covenants of this Agreement.

9. CHOICE OF LAW

This Agreement shall be governed and construed in accordance with the laws of the State of Utah.

10. RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

10.1 Recordation. Upon execution and delivery by Developer and the County, this Agreement shall be recorded and filed in the Official Records of Summit County, Utah.

10.2 Covenants Run with the Land. Developer and County intend, declare and covenant, on behalf of itself and all future Owners of the Affordable Units, that this Agreement and the covenants and restrictions set forth herein, regulating and restricting the rents, use, occupancy and transfer of the Affordable Units shall be covenants running with the land and improvements constituting the Affordable Units, for the benefit of the County, and shall encumber the Affordable Units and all subsequent Owners of the Affordable Units.

11. MISCELLANEOUS

11.1 Notices. Any and all notices and demands by any party to any other party required or desired to be given except those set forth in Section 6.2 hereunder shall be in writing and shall be validly given or made if deposited in the U.S. mail, certified or registered, postage prepaid, return receipt requested, sent by Federal Express or other similar courier service keeping records of deliveries and attempted deliveries, or served by facsimile transmission. Service by U.S. mail or courier shall be conclusively deemed made on the first business day delivery is attempted. Facsimile transmissions received during normal business hours on a business day shall be deemed made at the time of receipt. Facsimile transmissions not received during normal business hours on a business day shall be deemed made on the next business day. Any notice or demand to the Owner shall be addressed to the address of the Owner appearing on the County tax records. Any notice or demand to the County shall be addressed to the County at the following address:

Summit County Clerk
P.O. Box 128

Coalville, Utah 84017
Fax: (435) 336-3030

With a copy to:
Mountainlands Community Housing Trust
1960 Sidewinder Drive
Suite 107
Park City, UT 84060

Summit County Attorney
P.O. Box 128
Coalville, Utah 84017

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 others, which notice of change of address shall not become effective, however, until the actual receipt thereof by the others or the recording of a change of address by the County or its Third Party Designee.

11.2 Successors. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties.

11.3 Third Party Beneficiary. This Agreement is not intended to confer rights on third parties.

11.4 Paragraph Headings. Paragraph or section headings within this Agreement 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.

11.5 Gender and Number. Whenever the context so requires herein, 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.

11.6 Modifications. The parties agree that any modifications of this Agreement shall be effective only when made by writings signed by the parties hereto and recorded in the Official Records of Summit County, Utah.

11.7 Incorporation of Recitals. The recitals set forth at the beginning of this Agreement are incorporated herein by this reference.

11.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the matters set forth herein.

11.9 Satisfaction of Development Agreement. The County acknowledges that the recordation of the Original Agreement in the Office of the Summit County Recorder satisfied the Developer's affordable housing obligations under the Development Agreement, and that such obligations continue to be satisfied upon the execution and recordation of this Agreement.

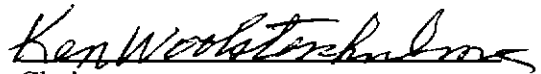
Developer agrees and represents that as long as it owns any of the Affordable Units, it will disclose to potential buyers of such Affordable Units that the Affordable Units are reserved for affordable housing purposes and are subject to the restrictions set forth in this Agreement.

[Signatures on Following Page]


IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COUNTY:

Summit County,
a political subdivision of the State of Utah

By: 
Chair

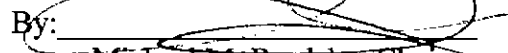
APPROVED AS TO FORM:


County Attorney

DEVELOPER

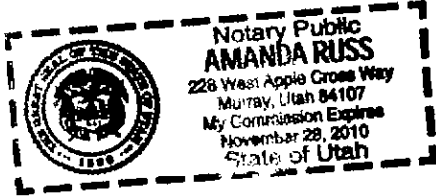
Bear Hollow Village Restoration, LLC,
a Utah limited liability company

By: Hamlet Homes Corporation
a Utah corporation, its managing member

By: 
Michael M. Brodsky, Chairman

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

The foregoing instrument was acknowledged before me this 24th day of November 2008, by Michael Brodsky the Chairman of Hamlet Homes Corporation, which is the managing member of Bear Hollow Restoration LLC.



[Signature]
Notary Public
Residing at: 228 Apple Cross Way

My Commission Expires: Nov. 28, 2010

STATE OF UTAH)
)
:SS.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 3RD day of DECEMBER 2008, by Ken Woolstenhulme, Chairman of the Board of County Commissioners of Summit County, State of Utah.

[Signature]
Notary Public
Residing at: SUMMIT COUNTY

My Commission Expires:

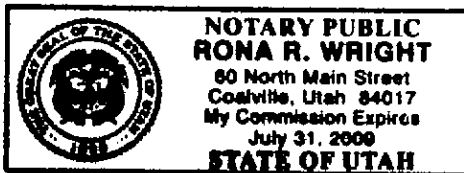


EXHIBIT "A"

Permitted Capital Improvements

1. The term "Permitted Capital Improvements" as used in the Restrictions Concerning Affordable Housing Units at Bear Hollow Village shall only include the following:
 - a. improvements or fixtures erected, installed or attached as permanent, functional, non-decorative improvements to the Affordable Units, excluding repair, replacement and/or maintenance of improvements;
 - b. improvements for energy or water conservation;
 - c. improvements for the benefit of seniors and/or handicapped persons;
 - d. improvements for health and safety protection devices;
 - e. improvements to add and/or finish permanent/fixed storage space;
 - f. improvements to finish unfinished space;
 - g. the cost to add decks and balconies and any extension thereto;
 - h. improvements that add or finish living space; and/or
 - i. improvements constructed or installed as a result of any requirement imposed by any governmental agency.

2. Permitted Capital Improvements as used herein shall not include the following:
 - a. landscaping;
 - b. upgrade of appliances, plumbing or mechanical fixtures, carpets, floor coverings and other similar items included as part of the original construction of the Affordable Units;
 - c. jacuzzis, sauna, steam showers or other similar items

EXHIBIT "B"

Description of the Affordable Units

The following Units within the Village SPA are designated as "Affordable Units," and are subject to this Agreement:

LODGES:

Units 2102 and 2208 of the Lodges Condominiums, according to the Condominium Plat of the Lodges recorded in the Office of the Summit County Recorder on March 24, 2005, as Entry No. 730166.

BEAR CLAW:

Units 101, 102, 103, 104, 200, 201, 202 and 203 of the Bear Claw Condominiums, according to the Condominium Plat of the Bear Claw Condominiums recorded in the Office of the Summit County Recorder on September 4, 1998, as Entry No. 516929.

Bear Claw - 101
↓
203

EXHIBIT "C"

Maximum Sales Price

<u>Project/Building</u>	<u>Affordable Unit No.</u>	<u>Maximum Sales Price</u> <u>as of 12/03/2008</u>
Lodges Building B	2102	\$221,520
Lodges Building B	2208	\$221,520
Bear Claw	101	\$140,967
Bear Claw	102	\$221,520
Bear Claw	103	\$221,520
Bear Claw	104	\$221,520
Bear Claw	200	\$140,967
Bear Claw	201	\$140,967
Bear Claw	202	\$140,967
Bear Claw	203	\$221,520