

WHEN RECORDED RETURN TO:

Mountainlands Community Housing Trust
1960 Sidewinder Drive Suite 107
Park City, Utah 84060

RESTATED AND AMENDED DEED RESTRICTIONS

FOR AFFORDABLE HOUSING FOR THE LINE CONDOMINIUMS UNIT 7

CAUTION: THESE DEED RESTRICTIONS CONTAIN LIMITS ON THE SALES PRICE UPON RESALE AND ENCUMBRANCES WHICH, IF NOT FULLY COMPLIED WITH, COULD RESULT IN THE VOIDING OF AN ENCUMBRANCE OR OWNERSHIP INTEREST AND POSSIBLE VIOLATION OF CRIMINAL ORDINANCES.

This Restated and Amended Deed Restrictions for Affordable Housing (these "Deed Restrictions") are to those AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LINE CONDOMINIUMS dated the 26th day of April 2006 by MOUNTAINLANDS COMMUNITY HOUSING ASSOCIATION DBA MOUNTAINLANDS COMMUNITY HOUSING TRUST, a Utah non-profit corporation (MCHT) recorded as Instrument 00776439 in Book 01788 Pages 00533-00545 in the Office of the Summit County Recorder on May 2, 2006 (the "Restrictions") as they relate to Unit 7.

RECITALS

A. The Restrictions are amended as set forth herein and shall have no further force or effect unless these Restated and Amended Restrictions or any part thereof are declared void by a court of competent jurisdiction.

B. MCHT is the owner of certain real property known as **The Line Condominiums Unit 7** in Summit County, Utah, Parcel ID LINE-7, that is designated as an Affordable Housing Unit located at 555 Deer Valley Drive Unit 7, County of Summit, State of Utah (the "Affordable Unit")

AGREEMENT

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

1. DEFINITIONS.

1.1 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 their primary residence.

1.2 First Mortgage means a Mortgage or Deed of Trust encumbering the Affordable Unit having priority as to all other Mortgages encumbering an Affordable Unit or any part thereof or interest therein.

1.3 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 for the actual family size of the potential buyer as determined by the U.S. Department of Housing and Urban Development at the time of reference. An income qualified buyer shall be approved as such by MCHT.

1.4 Maximum Sales Price ("MSP") means the sales price for the Affordable Unit, as set forth by MCHT, as of the Effective Date, (Original Sales Price) and as thereafter adjusted in accordance with the provisions of Section 2.7, below. The MSP as of the date of these Deed Restrictions is \$215,500.

1.5 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.

1.6 Owner refers to MCHT and all successive owners in interest.

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 MCHT at or below the MSP (the "Option Sales Price") by delivering a written notice of such offer to MCHT at 1960 Sidewinder Drive, Suite 107, Park City, Utah 84060. The date the Owner delivers such notice to MCHT shall be the "Offer Date".

2.2 Assignable Right of First Refusal. MCHT shall have an assignable option to have the first right to purchase the Affordable Unit wherein within sixty (60) days after the Offer Date ("Option Period") MCHT may exercise the Option by delivering to the Owner written notice of the MCHT's (or MCHT's assignee) exercise of the Option ("Exercise Notice"). MCHT shall use its best efforts to notify the Owner of whether MCHT will exercise the Option as early as possible within the Option Period. If MCHT or the MCHT's assignee elects to exercise the Option, MCHT 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 MCHT (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 and obligation to sell the Affordable Unit to a Qualified Buyer (as defined in Section 2.4, below).

2.4 Qualified Buyers. MCHT shall maintain at its office a list (the "List") of persons meeting the requirements for qualified purchasers of an Affordable Unit ("Income Qualified Buyer"). The List shall rank the Income Qualified Buyers on such List according to the following criteria: (1) the amount of the purchase price that the Income Qualified Buyer is willing and able to pay, which amount shall not exceed the MSP, with the highest priority given to the Income Qualified Buyer willing to pay the most; (2) the speed with which the Income Qualified Buyer is willing and able to close the transaction, with the highest priority given to the Income Qualified Buyer who can close the fastest; and (3) the date that the Income Qualified Buyer applied to be placed on the List with the highest priority given to the Income Qualified Individual with the earliest application date. Equal weight shall be given to each of the above criteria in ranking Income Qualified Buyers; however, in no event shall the seller of an Affordable Unit be obligated to sell to an Income Qualified Buyer who is not willing or able to pay the MSP for the Affordable Unit being offered. MCHT 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, an Income Qualified Buyer must deliver to the MCHT evidence of being pre-qualified for sufficient financing to purchase an Affordable Unit. The rankings of potential owners shall be solely determined by MCHT.

2.5 Sales to Qualified Buyers. First priority shall be given to Income Qualified Buyers. If MCHT 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 sixty (60) days termination of the Option, the Owner shall have the right to sell the Affordable Unit to any Employment and/or Resident Qualified Buyer with a household income at or below 120% AMI. If after using best efforts to sell the Affordable Unit to an Employment and/or Resident Qualified Buyer or a buyer earning at or below 120% AMI within 120 days of the termination of the Option the Owner shall have the right to sell the Affordable Unit to any buyer who qualifies as an Owner for an amount not to exceed the Maximum Sales Price set forth in Section 2.6. 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 forms acceptable to an escrow company and that calls for an earnest money deposit of at least one half of one percent (0.5%) of the sales price and a closing within not more than forty-five (45) days after the contract is entered into.

2.6 Maximum Sales Price. In no event shall an Owner sell an Affordable Unit for an amount in excess of the following: (i) the Original Sale Price, plus an increase of three percent (3.0%) of such price per year (not compounded) prorated at 0.25% monthly, (ii) the cost of

Permitted Capital Improvements (as defined in Section 2.10 below and as shown in Exhibit B). Upon the closing of the sale MCHT may charge to the Seller a transfer/monitoring fee not to exceed one percent (1%) of the Maximum Sales Price. The purchaser of an Affordable Unit (“Buyer”) shall pay no more than as set forth in this Section 2.6 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 not made a part of the REPC. A Buyer shall pay for all costs of financing obtained to purchase the Affordable Unit, and all other closing costs customarily paid by purchasers of similar property in Summit County.

2.7 Maintenance of Property. The Owner shall maintain the Affordable Unit in good, safe, and habitable condition in all respects, except for normal wear and tear, and in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the Affordable Unit. The Owner shall suffer no mechanics’ liens to be recorded against the Affordable Unit.

2.8 Excessive Damage Assessment. Upon notice of Intent to Sell as set forth in Paragraph 2.1 MCHT shall have the right to inspect the Affordable Unit within ten (10) days of receiving written “Intent to Sell” notice to determine whether the Owner has complied fully with the maintenance obligations set forth in paragraph 2.7 hereof and to confirm that the eligible Capital Improvements have been completed in a workmanlike manner and the reasonable value thereof. If, after such inspection, MCHT determines in its judgment that the Owner has not complied with this obligation MCHT shall determine in its judgment the cost to complete such repairs, replacements, and other work necessary to restore the Affordable Unit to a good, safe, and habitable condition in all respects, and to bring it into full compliance with all applicable laws, ordinances, rules and regulations over matters concerning the condition of the Affordable Unit. This amount shall be called the Excessive Damage Assessment, and it shall be included in the calculation of the MSP by reducing the same or Owner shall have the right to complete such items before closing. The MSP shall be adjusted upward as determined by MCHT.

2.9 Recording of Affidavit Prior to Sale. Prior to any conveyance an Affidavit in substantially the same form as set forth in Exhibit A shall be required to be signed by the Seller and Buyer and recorded in the Office of the Summit County Recorder prior to any conveyance document or the conveyance shall be void and of no effect. In the event a conveyance is made without execution and recording of the Affidavit set forth in Exhibit A, such conveyance shall be deemed to be a conveyance to the MCHT and all interests of the Owner shall be conveyed to the MCHT without further consideration. The conveyance to the MCHT shall be subject to any existing encumbrances recorded against the Affordable Unit not exceeding the Maximum Sales Price.

2.10 Permitted Capital Improvements.

(a) General. As discussed in Section 2.6, above, in addition to charging up to the Maximum Sales Price, an Owner may also charge a Buyer for the cost (“Capital Improvements Charge”) of capital improvements as defined on Exhibit “B” 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 MCHT as set forth below.

All such Permitted Capital Improvements installed or constructed over the life of the improvements to the Affordable Unit shall qualify only if approved in writing by MCHT before the start of construction by MCHT.

(b) Capital Improvements Charge. Permitted by this Section 2.10 the Capital Improvements Charge shall be calculated on a cumulative basis applicable to the original Owner and all subsequent Buyers. The cost of Permitted Capital Improvements shall be depreciated on a straight line basis at the rate of ten percent (10%) per annum for ten (10) years commencing one (1) year from the date of the installation of each improvement. The total amount of the cost of Permitted Capital Improvements shall be the depreciated cost of such improvements. Notwithstanding anything to the contrary contained herein, MCHT 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 MCHT, an Owner shall not charge a Buyer for the portion of the Excess Capital Improvements Charges that exceed ten percent (10%) of the Maximum Sales Price. MCHT shall have sole discretion to allow or disallow Excess Capital Improvements Charges.

(c) 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.

(d) Qualifications. In order to qualify an improvement as a Permitted Capital Improvement, the Owner must furnish to MCHT 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 building department of the appropriate Jurisdiction with respect to the Permitted Capital Improvements, if required.

(iv) Out of Pocket Costs. In calculating the costs under this Section 2.10, 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.

2.11 No Guaranty. NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTY BY MCHT OR ANY OTHER PARTY THAT THE OWNER SHALL BE ABLE TO SELL AN AFFORDABLE UNIT FOR THE MAXIMUM SALES PRICE.

3. RENTING THE AFFORDABLE UNITS

3.1 Limitation on Rental Rates and Terms. In order to achieve a stabilized community of owner-occupied Affordable Units it is the intent that the Affordable Units at all times be owner-occupied. The Owner shall not rent or lease the Affordable Unit without the express written consent of MCHT which can be withheld for any reason. MCHT shall have the authority to approve a rental of the Affordable Unit for up to six months if satisfactory evidence is provided that the Owner will vacate the Affordable Unit with the intent to return for reasons such as temporary employment or educational requirements, military duty, and the like that will be completed within six months. In the event Owner rents or leases a Affordable Unit without MCHT's written consent or, if Owner does not reside in the Affordable Unit for more than six months, this violates the intent of the public policy priorities of Summit County and the specific terms of these Deed Restrictions so, upon written demand by MCHT, Owner shall offer the Affordable Unit for sale to MCHT as set forth in Section 2.

3.2 Reversion of Unit: In the event Owner fails to offer the Affordable Unit for sale as set forth in Section 2 and continues to rent or lease the Affordable Unit or not reside in it for a period of six months without MCHT's approval, upon written demand that the breach of this provision be corrected within thirty (30) days of receipt of said written demand and Owner's failure to comply, Owner's right, title and interest in the Affordable Unit shall revert to MCHT subject to any existing encumbrance approved under these Deed Restrictions and not exceeding the MSP at the time of recording of the encumbrance. MCHT shall record an affidavit setting forth the Owner's failure to comply with these provisions which shall complete the reversion to MCHT.

3.3 Maximum Rent. In the even that MCHT approves a temporary rental of the Affordable Unit by Owner, the rent that may be charged to a temporary tenant may not exceed the "Maximum Rent". For the purposes of these Deed Restrictions, "Maximum Rent" shall be the actual monthly mortgage payment (principal and interest) being paid by the Owner of the Affordable Unit plus property taxes, homeowners' fees and property and liability insurance, pro-rated monthly.

4. TERM OF THIS AGREEMENT

The term of these Deed Restrictions shall commence as of the Effective Date and shall continue in full force and effect in perpetuity unless terminated sooner by the mutual agreement of both of the Owner and MCHT (the "Term"). If these Deed Restrictions terminate or expire MCHT shall have the right to purchase the Affordable Unit from Owner at the MSP as of the date of the termination within six months of the termination or expiration of these Deed Restrictions. In the event Owner desires not to sell, Owner shall pay to MCHT the difference between the appraised fair market value of the Affordable Unit without Restrictions and the MSP in cash within 60 days of the termination of the restrictions or MCHT shall have the right to purchase the Affordable Unit. It is the intent that the Owner not receive a "windfall" upon termination of these Deed Restrictions. The appraised value shall be determined by qualified MAI appraiser mutually selected by MCHT and Owner. Upon termination, MCHT shall record a notice of termination of these Deed Restrictions

5. ENFORCEMENT

MCHT shall monitor compliance with the terms of these Deed Restrictions and has the power to exercise all civil and criminal remedies available at law and in equity to ensure compliance by the Owner and Owner's successors in interest.

6. MORTGAGE PROTECTION

6.1 Subordination to First Mortgages. These Deed Restrictions shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage encumbering such Affordable Unit and to all advances secured by the First Mortgage, including without limitation all sums advanced for the purpose of (a) 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 (b) constructing, renovating, repairing, furnishing, fixturing or equipping such Affordable Unit. The holder of a First Mortgage shall provide written notice to MCHT if the First Mortgage becomes delinquent more than 60 days.

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 a Affordable Unit by way of trustee's sale, foreclosure, deed-in-lieu of foreclosure or other legal means, MCHT 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 MCHT at 1960 Sidewinder Drive Suite 107 Park City, Utah. The purchase price to be paid by MCHT 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 cure 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 MCHT timely exercises such right to purchase the Affordable Unit, MCHT 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 MCHT gives notice of its intent to acquire the Affordable Unit ("Closing Deadline"). If the holder of the First Mortgage fails to provide written notice to MCHT as set forth above any sale or transfer shall be subject to these Deed Restrictions or it will be void.

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 MCHT

shall have no rights greater or different than others bidding for the Affordable Unit at such sale. In the event of a bankruptcy trustee's sale, any purchaser at a 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 Deed Restrictions and other restrictions which may encumber the property.

6.4 Termination of Agreement Upon Foreclosure. In the event that a purchaser other than MCHT acquires the Affordable Unit at a public foreclosure sale, or if the holder of a First Mortgage acquires a Affordable Unit and MCHT 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 these Deed Restrictions 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 these Deed Restrictions with respect to such Affordable Unit. Any such termination of these Deed Restrictions with respect to any particular Affordable Unit shall not affect the continuing enforceability of these Deed Restrictions 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), receiving title to a Affordable Unit through a foreclosure or deed in lieu of foreclosure of a First Mortgage shall receive title to such Affordable Unit free and clear of the terms, restrictions and covenants of these Deed Restrictions.

6.5 Void Encumbrance. **In the event an encumbrance or any debt instrument is recorded against the Affordable Unit that exceeds the MSP as defined herein, subject to the provisions of this article, the encumbrance shall be void ab initio. These Deed Restrictions are to preserve affordability for targeted income households so, an encumbrance exceeding the MSP violates public policy and, on its face, constitutes predatory and illegal lending practices. An encumbrance exceeding the MSP is void in its entirety and there shall be no equitable encumbrance in the amount of the MSP. An affidavit filed by MCHT stating this requirement and setting forth the MSP at the date of the recorded encumbrance declaring the intention to declare the encumbrance void shall be sufficient to void the encumbrance of record. The voiding of the security for a promissory note or underlying debt shall not automatically void such indebtedness.**

6.6 Reversion of Ownership Interest. **An Owner of an Affordable Unit covered by these Deed Restrictions has acknowledged the existence and awareness of these Deed Restrictions and is aware of the provisions contained herein. The act of executing a debt instrument and encumbrance in an amount exceeding the MSP is an act of fraud and against public policy. Accordingly, the perpetrator of such act should not benefit from such activities, so, upon recording of an encumbrance executed by the Owner of an Affordable Unit exceeding the MSP, all right title and interest of Owner, or Owners successor's in interest, shall revert to MCHT. This reversion to MCHT shall be perfected by MCHT recording an affidavit stating this requirement and the MSP at the date of recording the encumbrance and its intent to exercise this right of reversion. The reversion of the property to MCHT and the voiding of the encumbrance recorded against an Affordable Unit shall not relieve the Owner of any obligation to the lender.**

6.7 **No Benefit for Fraudulent Act.** In the event a court of competent jurisdiction does not confirm the reversion set forth in Section 6.6 above but declares the encumbrance exceeding the MSP as set forth in Section 6.5 above, the Owner who executed such encumbrance shall not receive a windfall for such act so an equitable encumbrance in the amount of the MSP at the date of recording shall inure to MCHT. Payments on this indebtedness shall be monthly amortized over 30 years at the interest rate plus one percent (1%) for First Time Homebuyer set by Utah Housing Corporation on such date.

6.8 **Re-Financing of the First Mortgage.** The Owner may only re-finance the First Mortgage only so long as the total amount of such debt recorded against the property, including the re-financing of the First Mortgage, does not exceed one-hundred percent (100%) of the MSP in effect at the time of the re-financing of the Affordable Unit. Such re-financing must be with an institutional lender.

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, MCHT 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 these Deed Restrictions, the transferor of that Affordable Unit shall have no further liability under these Deed Restrictions with respect to the sold Affordable Unit.

7.2 **Effect of Breach Upon MSP.** If it is determined by MCHT that an Owner is in breach of these Deed Restrictions the permitted increase in the MSP as set forth in Section 2.6 will be cease and be suspended until Owner comes into compliance with the terms and condition set forth in these Deed Restrictions as determined by MCHT.

7.3 **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 that Affordable Unit itself shall not be liable for, or encumbered by, the obligations or liabilities under these Deed Restrictions associated with any other Affordable Unit or Owner of any other Affordable Unit in The Line Condominiums.

7.4 **Park City and Summit County Criminal Ordinances.** In addition to the remedies contained herein Owner and any other party involved in the circumvention of the terms and conditions set forth in these Deed Restrictions are subject to Criminal Ordinance 8.3.6 "Affordable Housing Fraud" of Park City Municipal Corporation and/or Criminal Ordinance 7-11 "An Ordinance Establishing The Crime of Affordable Housing Fraud Within Summit County" of the Summit County Criminal Code.

8. **CHOICE OF LAW**

These Deed Restrictions shall be governed and construed in accordance with the laws of the State of Utah.

9. **RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND**

9.1 Recordation. Upon execution and delivery by the Owner (MCHT), these Deed Restrictions shall be recorded and filed in the Official Records of Summit County, Utah.

9.2 Covenants Run with the Land. Owner intends, declares and covenants, on behalf of itself and all future Owners of the Affordable Unit, that these Deed Restrictions and the covenants and restrictions set forth herein, regulating and restricting the rents, use, occupancy and transfer of the Affordable Unit shall be covenants running with the land and improvements constituting the Affordable Unit, for the benefit of MCHT, shall encumber the Affordable Unit, and shall be binding upon Owner, and all subsequent Owners of the Affordable Unit.

10. **MISCELLANEOUS**

10.1 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 these Deed Restrictions 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 Summit County tax records. Any notice or demand to MCHT shall be addressed to MCHT at the following address:

Mountainlands Community Housing Trust
1960 Sidewinder Drive Suite 107
Park City, Utah 84060

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 MCHT.

10.2 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.

10.3 Third Party Beneficiary. These Deed Restrictions are not intended to confer rights on third parties.

10.4 Paragraph Headings. Paragraph or section headings within these Deed Restrictions 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.

10.5 Gender and Number. Whenever the context so requires herein, the number and gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.

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

10.7 Incorporation of Recitals. The recitals set forth at the beginning of these Deed Restrictions are incorporated herein by this reference.

10.8 Entire Agreement. These Deed Restrictions constitutes the entire agreement between the parties with respect to the matters set forth herein.

IN WITNESS WHEREOF, the parties have executed these Deed Restrictions as of 26th day of November 2014.

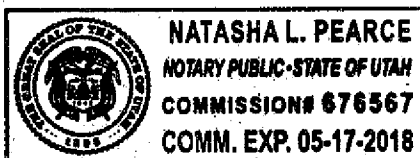
“MCHT”

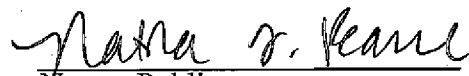
**MOUNTAINLANDS COMMUNITY HOUSING ASSOCIATION
DBA MOUNTAINLANDS COMMUNITY HOUSING TRUST**



BY SCOTT LOOMIS, EXECUTIVE DIRECTOR

The foregoing instrument was acknowledged before me this 26 day of November 2014 by Scott Loomis as Executive Director of Mountainlands Community Housing Trust a Utah Non-Profit Corporation who duly acknowledges that he has the power to appear on behalf of said corporation, and acting in such capacity executed the foregoing document on the day and year aforementioned.




Notary Public

WHEN RECORDED RETURN TO:

Mountainlands Community Housing Trust
1960 Sidewinder Drive Suite 107
Park City, Utah 84060

EXHIBIT "A"

AFFADAVIT

Mountainlands Community Housing Trust hereby affirms and certifies that _____ Is an Income Qualified Buyer under the Restated And Amended Deed Restrictions Concerning Affordable Units at The Line Condominiums recorded on November 26, 2014 at Book _____ Page _____ - _____)in the Office of the Summit County Recorder (the Restrictions) and approves the conveyance of the residence located at _____, Park City, Utah for the sales price not to exceed \$_____.

Dated this ___ day of _____, 2014 .

Mountainlands Community Housing Trust

Executive Director

The foregoing instrument was acknowledged before me this ___ day of _____ 20__ by Scott Loomis as Executive Director of Mountainlands Community Housing Trust a Utah Non-Profit Corporation who duly acknowledges that he has the power to appear on behalf of said corporation, and acting in such capacity executed the foregoing document on the day and year aforementioned.

Notary Public

AFFIDAVIT

The undersigned "Seller(s)" and "Buyer(s)" hereby affirm that the sale of a restricted affordable housing home known as _____ Park City, Utah is being sold at or below the Maximum Sale Price set forth in the RESTATED AND AMENDED DEED RESTRICTIONS dated the 26th day of November, 2014 and recorded as Entry No. ___ in Book Pages ___ in the Office of the Summit County Recorder. As of the date of sale the approved Maximum Sale Price is \$ _____. The property is being sold for a total purchase price of \$ _____. There is no other consideration paid by Buyer to Seller or Seller's agents other than the purchase price set forth herein. Buyer acknowledges that she is an Income Qualified Buyer.

By affirmation hereof, the undersigned acknowledges and understands the Deed Restrictions and understands and agrees that any subsequent conveyance or sale will be subject to limitations and requirements set forth therein including, but not limited to, sales price, income qualifications of the purchaser, improvements and the like and the possibility of the reversion of the undersigning interest.

Further Affiant acknowledges that any conveyance not approved in advance by Mountainlands Community Housing Trust under the Deed Restrictions will be null and void and of no force or effect.

Dated this ____ day of _____, 20__.

"Seller"

"Buyer"

State of Utah)
)
County of Summit)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by "Seller"

Notary Public

State of Utah)
)
County of Summit)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by "Buyer"

Notary Public

EXHIBIT "B"

PERMITTED CAPITAL IMPROVEMENTS

1. The term "Permitted Capital Improvements" as used in the Declaration shall only include the following:

- a. Improvements or fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
- b. Improvements for energy and water conservation;
- c. Improvements for the benefit of seniors and/or handicapped persons;
- d. Improvements for health and safety protection devices;
- e. Improvements constructed or installed as a result of any requirement imposed by any government agency.

2. Permitted Capital Improvements as used in the Declaration shall not include the following:

- a. Landscaping;
- b. Upgrades of appliances, plumbing and mechanical fixtures, carpets, and other similar items included as part of the original construction of the Unit;
- c. Jacuzzis, saunas/ steam showers and other similar items;
- d. Improvements required repairing, replacing and maintaining existing fixtures, appliances, plumbing and other mechanical fixtures, painting, carpeting and other similar items;
- e. Upgrades or additions of decorative items, including lights, window coverings, and other similar items.

3. Permitted Capital Improvement items and costs shall be approved by Mountainlands Community Housing Association (MCHT) prior to being added to the Maximum Sales Price as defined herein. In the event of a disagreement concerning a Permitted Capital Improvements, MCHT shall have the final and exclusive authority to interpret the provisions of this Exhibit "B".