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**RESTRICTIVE HOUSING COVENANT AND NOTICE OF LIEN
Homes at West Hills Phase II**

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RESTRICTIVE HOUSING COVENANT AND NOTICE OF LIEN
Homes at West Hills Phase II

This Restrictive Housing Covenant and Notice of Lien for the West Hills Housing Development, Summit County, Colorado, (this "Covenant") is made this 29 day of August, 2018, by West Hills, LLC, a Colorado limited liability company, hereinafter referred to as "Declarant", and approved and accepted by Summit County, Colorado, a body corporate and politic, hereinafter to as "County" or "Beneficiary,"

RECITALS:

WHEREAS, West Hills, LLC acting as the Declarant, is in the process of developing the Tract 2 Parcel of the Resubdivision of Tract A, Wintergreen Sub Filing 1, as described in the subdivision plat dated 10-24-17 and recorded at Reception Number 1155186 in the Office of the Summit County, Colorado Clerk and Recorder, which plat is attached and incorporated as **Exhibit A** and the deed dated 6-30-17 and recorded at Reception Number 1144947 (the "Property"). The Tract 2 Parcel development shall be constructed and sold only to Qualified Buyers who are to own and occupy a Unit, as such terms are described in Article 1 below, in compliance with the terms and provisions of this Covenant. Declarant intends to create an enforceable covenant running with the land that assures that all of the Units developed on the Property will be occupied by those meeting the requirements of this Covenant, subject to limited exceptions provided for herein; and

WHEREAS, Declarant agrees to restrict the acquisition and/or transfer of the Units to Qualified Buyers who meet the appropriate income category established by the County for each Unit purchased, as set forth in attached **Exhibit B**; and

WHEREAS, Declarant agrees that this Covenant shall constitute an agreement setting forth the maximum sale ("Initial Sale Price") and resale price for which a Unit may be sold ("Maximum Resale Price") and the terms and provisions controlling the sale of the Unit; and

WHEREAS, by this Covenant, Declarant hereby restricts the Units from use and occupancy inconsistent with the terms as set forth in this Covenant; and

WHEREAS, under this Covenant Declarant intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use of the Units described and provided for herein shall be and are hereby made covenants running with the land and are intended to be and shall be binding upon the Declarant and all subsequent owners and occupiers of such Units for the stated term of this Covenant, unless and until this Covenant is released and terminated in the manner hereafter described.

NOW, THEREFORE, for value received, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby represents, covenants, and agrees as follows:

ARTICLE 1 DEFINITIONS

1. "Area Median Income" or "AMI" means the median annual income for Summit County (or such next larger statistical area calculated by HUD that includes Summit County, if HUD does not calculate the area median income for Summit County on a distinct basis from other areas), as adjusted for household size, that is calculated and published annually by HUD (or any successor index thereto acceptable to the County, in its reasonable discretion, including the Consumer Price Index). The County shall have the right to determine appropriate AMI numbers if the current AMI data is not representative of actual market conditions. If AMI data pertaining to the date of sale of a Unit is not yet available as of the date the sale price is calculated, then the most recent data published by HUD shall be used in its place.

2. "Affordable" means monthly payments should not exceed 30% of gross monthly household income, with such payments to include utilities, taxes, insurance, HOA dues, electric, gas, water, sewer, trash, and snow removal fees. Refer to HUD affordability guidelines as well as Summit County Housing Department for additional clarity or information.

3. "Qualified Owner(s)" is/are natural persons meeting the income, residency, and all other qualifications set forth in this Covenant.

4. "Dependent" shall mean a person, including a spouse of, a child of, a step-child of, a child in the permanent legal custody of, or a parent of a Qualified Occupant, in each case whose principal place of residence is in the same household as such Qualified Occupant, and who is financially dependent upon the support of the Qualified Occupant. Dependent shall also include any person included within the definition of "Familial Status" as defined in 42 U.S.C. § 3602(k), as that act shall from time to time be amended.

5. "First Mortgage" means a deed of trust or mortgage which is recorded senior to any other deeds of trust or liens against the Unit to secure a loan used to purchase the Unit made by a Mortgagee.

6. "HUD" means the U.S. Department of Housing and Urban Development.

7. "Maximum Resale Price" means the maximum Purchase Price that may be paid by any purchaser of a Unit, other than the initial purchaser who acquires the Unit from Declarant, that is determined in accordance with the provisions of Article 4 of this Covenant. The Maximum Resale Price is not a guaranteed price, but merely the highest price an Owner may obtain for the sale of the Unit.

8. "Mortgagee" means any bank, savings and loan association, or any other institutional lender which is licensed to engage in the business of providing purchase money mortgage financing for residential real property and which is the beneficiary of a deed of trust or mortgage encumbering any Unit.

9. "Owner" means the record owner at any time taking and holding fee simple title to a Unit.

10. "Purchase Money Mortgage" means a First Mortgage given by an Owner to the extent that it is: (a) taken or retained by the seller of the Unit to secure all or part of the payment of the Purchase Price; or (b) taken by a person who by making monetary advances, by making a loan, or by incurring an obligation, gives value to enable the Owner to acquire the Unit, if such value is in fact so used.

11. "Qualified Occupant" means:

A. A person aged 18 or older, along with his or her Dependents, if any, who at all times during ownership or occupancy of the Unit, earns his or her living from a business operating in and serving the County, by working in Summit County at such business an average of at least 30 hours per week on an annual basis.

B. For individuals claiming self-employment, their employment must be for at least 30 hours of work per week within Summit County on an annual basis for a legally formed business entity provided such entity is approved by the County in writing as having demonstrated that its principal place of business is located within Summit County, Colorado, and it provides a significant and primary percentage of its goods and/or services locally within Summit County to the residents, property owners or visitors located in Summit County, whether or not for profit. If a person is a work from home employee for a business, the person must work at least 30 hours per week on an annual basis and spend a significant percentage of his/her time providing goods and/or services locally in or to Summit County and its residents, whether or not for profit.

C. A person over 67 years of age shall remain a Qualified Occupant regardless of his or her working status, so long as he or she has owned and occupied that particular Unit for a time period of not less than seven (7) years and satisfied the requirements of subsection A or B above regarding employment in Summit County for at least 15 continuous years prior to retirement.

D. A Qualified Occupant who becomes disabled after commencing ownership or occupancy of a Unit such that he or she cannot work the required number of hours each week required by this Restriction shall remain a Qualified Occupant; provided that such person is permitted to occupy the Unit only for a maximum period of one (1) year following the commencement of said person's disability, unless a longer period of occupancy is authorized by the County pursuant to the process set forth in Article 4 below.

E. The County or its designee shall have the discretion to determine any person's eligibility as a Qualified Occupant under this section and may request such evidence as is necessary to make said determination.

12. "Summit County" means and includes the entirety of the jurisdictional area of Summit County, Colorado.

13. "Transfer" or "Transferred" means any sale, assignment or transfer that is voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, trustee's sale, deed in lieu of foreclosure, or otherwise) of any interest in a Unit, including, but not limited to a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, or any

interest evidenced by a land contract by which possession of a Unit is transferred and the Owner obtains title.

14. "Unit" means a physical portion of the Property to be constructed for purposes of residential use only and to be created as a separate transferable real property interest by the filing of subdivision or similar plat(s) or map(s) for some or all of the Property. There will be a total of twenty-five (25) Units built on the Property.

15. "Summit County Housing Director" or "Director" is the Director of the Summit County Housing Department, or, if there is no such Director or the Director may be unavailable for an extended period of time, such other position in a governmental or quasi-governmental organization within Summit County as the County may designate to exercise the duties assigned to the Director in this Covenant.

ARTICLE 2 USE AND OCCUPANCY

The use and occupancy of each Unit shall be limited exclusively to housing for natural persons who meet the definition of Qualified Occupant and other requirements as set forth in this Covenant. The unit must be occupied as the Qualified Occupant's permanent primary full-time residence.

ARTICLE 3 OWNERSHIP AND OCCUPANCY RESTRICTIONS AND REQUIREMENTS

1. Ownership. Ownership of a Unit is hereby limited exclusively to a Qualified Owner, which shall include the parties described and approved as set forth herein. In the event that a Unit is occupied in violation of this Covenant, all of the remedies set forth by law or in equity, including, but not limited to, the rights set forth in this Covenant, shall be available to enforce the terms of this Covenant.

2. Income Categories. At the time of entering into any purchase contract for a Unit, individuals or households, as applicable, shall be subject to the following income categories for each Unit as set forth in Exhibit B:

- A. 70% AMI Units shall be available for those making up to 90% AMI
- B. 80% AMI Units shall be available for those making up to 100% AMI.
- C. 90% AMI Units shall be available for those making up to 110% AMI.
- D. 100% AMI Units shall be available for those making up to 120% AMI.
- E. 110% AMI Units shall be available for those making up to 130% AMI

F. These income categories and ranges are subject to periodic review and adjustment by the County depending on market conditions. If initial sales will be impacted, Declarant will also be consulted on this issue.

G. For purposes of determining income eligibility under this section, the most recent AMI numbers available at the time of entering into a purchase contract shall be utilized.

3. Rentals.

A. Units may only be rented for up to one (1) year while the unit is actively listed for sale, provided that such rental must be approved in advance in writing by the Director pursuant to the Exception Process set forth in Section 4. Any such tenancy approved by the Director shall be to a natural person meeting the definition of a Qualified Occupant. No tenancy period may be less than six (6) months.

B. Roommates. The requirements of this Section 3 shall not preclude an Owner meeting the Qualified Occupant criteria from sharing occupancy of the Unit with other Qualified Occupants on a rental basis provided the Owner continues to meet the obligations set forth in this Covenant. All roommates charged rent by the Owner are required to submit such approved housing eligibility application for the Qualified Occupant(s) as is provided by the Director and obtain approval from the Director prior to occupancy to ensure they meet the restrictions and requirements of this Covenant.

C. In the event that any Unit, or any portion thereof, is leased or rented without compliance with this Restriction, all of the remedies set forth by law or in equity, including but not limited to the rights set forth in this Covenant, shall be available to enforce the terms of this Covenant.

4. Exceptions to Occupancy Requirements. The Qualified Owner of a Unit may request an exception to the occupancy restrictions of this Covenant through the following process:

A. The Qualified Owner requesting an exception must provide a narrative explaining the need for the exception as well as written evidence confirming the reason for the request, including, but not limited to, such items as: a former employer's documentation of involuntary unemployment; confirmation of employment requiring a relocation.

B. The decision regarding the request for an exception to the occupancy requirements of this Covenant shall be made by the Summit County Housing Director within thirty (30) days of the completed application submittal with supporting information.

C. The Summit County Housing Director may grant an exception to an occupancy requirement of this Covenant for any qualifying circumstance(s) upon finding that:

i. The qualifying circumstance(s) justifying the grant of an exception to a an occupancy requirement of this Covenant is a circumstance that has transpired subsequent to occupancy of the Unit and/or is outside the control of the applicant to correct; and,

ii. Strict application of the terms of this Covenant would result in a significant hardship on the Qualified Owner; and,

iii. The grant of the requested exception is limited to the scope necessary to grant reasonable relief to the applicant, consistent with the intent and purpose of this

Covenant, and will not have an adverse effect on the community or surrounding neighborhood.

D. If the exception is granted, the Director may impose specific conditions of approval, and shall fix the duration of the term of such exception.

6. Refinance Restriction. An Owner shall not encumber a Unit with debt, exclusive of interest, in any form which exceeds, at any time, 97% of the Maximum Resale Price as determined in accordance with this Covenant.

7. Maintenance Responsibilities. Owner is responsible for maintaining the Unit in good working order throughout the length of Owner's ownership of the Unit, and adhering to all association requirements for maintenance, upkeep and appearance during such tenure of ownership as well.

8. Ownership Interest in Other Residential Property. If at any time an Owner also owns any interest alone, or in conjunction with others, in any other developed residential property within the State of Colorado, the Owner shall immediately disclose such ownership to the County, and may be required to promptly offer such other property interest for sale in an effort to sell his or her interest in such property. This prohibition concerning additional ownership is deemed to include entities, partnerships, trusts and the like in which the Owner is either a party to the entity in any part or a trustee and or beneficiary of a trust. In the event said other property has not been sold by the Owner within one hundred twenty (120) days of its listing required hereunder, then the Owner shall immediately list his or her Unit for sale pursuant to Articles 4 and 5 of this Covenant. It is understood and agreed by the County that, in the case of an Owner whose business is the construction and sale of residential properties or the purchase and resale of such properties, the properties which constitute inventory in such Owner's business shall not constitute "other developed residential property" as that term is used in this Section.

ARTICLE 4 **SALE OF A UNIT**

1. Initial Purchase Price. Upon completion of construction of each Unit by the Declarant, a Unit shall be sold to a Qualified Owner at a Purchase Price to be determined according to the attached 2018 HUD guidelines for Summit County (**Exhibit C**) and not to exceed the purchase price affordable to a person making the percentage of AMI applicable to the unit as set forth in Exhibit B. Said initial price may be adjusted upwards in years subsequent to 2018 based on the applicable AMI rates for such years but shall not decrease below the 2018 AMI rates contemplated herein.

2. Priority. At the time of the initial sale and any subsequent resale of any Unit, individuals working within the Snake River Basin (from and including Arapahoe Basin Ski Area to the most easterly reach of Dillon Reservoir) will receive priority in the purchase of the Units in accordance with the County's rules, regulations, policies and codes for the initial twenty (20) day period commencing with the offering of each Unit for sale, followed by a period of broader availability extended to all individuals working in Summit County until such time as each Unit is sold. If a lottery sales process is used, then Snake River Basin workers will receive priority in a

first lottery separate from other Summit County workers. Other criteria may be used as appropriate in a lottery sales process including length of time working and residing in Summit County.

3. Maximum Resale Price. In no event shall a Unit be sold for an amount (“Maximum Resale Price”) in excess of the Initial Purchase Price plus an increase of 2% per year to the date of an Owner’s listing or advertising a Unit to sell (Pro-rated at the rate of .167 percent for each whole month for any part of a year), which percentage shall be calculated annually without compounding.¹

NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTEE BY THE COUNTY OR THE DECLARANT THAT UPON RESALE THE OWNER SHALL OBTAIN THE MAXIMUM RESALE PRICE.

4. Condition of Unit at Resale. Each Owner shall be responsible for ensuring that the Unit is in good condition at the time of resale, with reasonable wear and tear acceptable. This obligation includes all matters which are in the control and responsibility of an Owner, and includes, but is not limited to: cleaning the Unit and making necessary improvements to repair and maintain plumbing and mechanical fixtures, appliances, carpet or other flooring, roofs, painting and other similar items in good working order and condition. If the Unit is not in good condition, the County or its designee has the right to bring the Unit into good condition and collect the costs of taking such efforts, by means of a lien upon the Unit, and the right to collect upon such lien through appropriate means, including the right to be paid the cost of any expenses incurred from the Owner’s proceeds at closing of the sale of the Unit.

5. Allowance for Permitted Capital Improvements. Subject to the limitations of this Section, for the purpose of determining the Maximum Resale Price in accordance with this Covenant, the Owner may add to the amount specified in Paragraph 3 of this Article 4, the cost of approved and permitted capital improvements (“PCI”), as set forth in the PCI schedule maintained by the County, as such schedule is amended from time to time, in total amount not to exceed 10% of the Initial Purchase Price over a cumulative period of ten (10) years.

6. Listing a Unit for Sale and Sales Commission. For all sales after the initial sale by Declarant, the Owner may execute a listing contract on forms approved for use by the Colorado Real Estate Commission with the County or its designee providing for a 180-day listing period, or such other time period as may be required by the County at the time of listing. The County or its designee shall promptly advertise the Unit for sale by competitive bid in accordance with the priority process set forth in Paragraph 2 of this Article 4. The listing and sale of the Unit shall be subject to such listing, sales, and other fees and expenses as may be imposed by the County from time to time. If the Owner so desires, Owner may list the Unit with a private real estate broker licensed according to the laws of the State of Colorado. Regardless of whether the Unit is listed with the County or through a private real estate broker, the Owner may add the amount paid in

¹ For example, if the original purchase price of a Unit is \$100,000, at the end of Year 1 the Unit could be sold for a maximum of \$102,000. At the end of Year 2, the Unit could be sold for a maximum of \$104,000, and at the end of Year 5, the Unit could be sold for a maximum of \$110,000.

sales commission, up to 1.75%, to the Maximum Resale Price.² Please note that the ability to increase the Maximum Resale Price by the allowable sales commission amount does not apply to Units for sale by owner unless owner is a real estate broker licensed according to the laws of the State of Colorado.

7. Multiple Qualified Bids. In the event that one bid from a buyer meeting the requirements to be a Qualified Owner is received equal to the Maximum Resale Price herein established, the Unit shall be sold to such bidder at the Maximum Resale Price. In the event two or more such bids equal to the Maximum Resale Price are received, the winning bid shall be selected according to the priority for Sale Units set forth in this Covenant or otherwise established by the County. In the event more than one such bid is of equal priority, the winning bid may be selected by lottery among the buyers of the highest priority, whereupon the Unit shall be sold to the winner of such lottery at the Maximum Resale Price. The lottery shall be administered by the Summit County Housing Director. This lottery process shall not apply to the initial sales of the Units, which shall be administered by the Declarant.

8. Closing Costs, No Additional Consideration. Owner shall not permit any prospective buyer to assume any or all of the Owner's customary closing costs, including, but not limited to, title insurance, sales commission, prorated taxes attributed to the property prior to the date of sale, homeowner's association assessments, existing obligations for special assessments, including any installments due and owing prior to the date of closing; nor shall Owner accept any other consideration which would cause an increase in the purchase price above the bid price so as to induce the Owner to sell to such prospective buyer.

ARTICLE 5

COMPLIANCE AND ENFORCEMENT

1. Owner agrees to provide, upon request of the County or its designee, all documents and information necessary for the County to establish continued compliance with this Covenant and with the Guidelines as amended from time to time. Documents may include, but are not limited to: Federal and State Income Tax Returns, W2's, 1099's, bank statements, and invoices for utility payments. The County shall maintain the confidentiality of financial information as provided by law.

2. Appreciation Limiting Promissory Note and Deed of Trust. Along with the recorded instrument of conveyance evidencing a Transfer of a Unit, any such Transfer of a Unit shall include a completed Appreciation Limiting Promissory Note and Deed of Trust, the forms of which are attached hereto as **Exhibit D**, which Note and Deed of Trust are to be executed by the buyer of each Unit at the closing of the sale to such buyer and recorded immediately following the deed to a buyer and the First Mortgage, if any.

² This deed restriction does not mandate what commissions and sales fees an Owner may pay, it merely specifies the maximum amount that may be added to the resale price of the Unit. All real estate commissions and other sale-related costs shall be paid by the Owner of a Unit, and shall not be transferred to the buyer by including these costs in the resale price calculation, with the exception stated above for a maximum of 1.75% to be added to the resale price calculation.

3. Statement of Compliance. Each sales contract or lease, as the case may be, for a Unit shall also (a) recite that the proposed purchaser or lessee, as applicable, has read, understands and agrees to be bound by the terms of this Covenant, and (b) require the proposed purchaser or lessee to submit such information as may be required by the County, under its rules and regulations or policies adopted for the purpose of ensuring compliance with this Covenant.

4. Vacancy. In the event that a Qualified Owner ceases to occupy a Unit as his or her principal place of residence for a period of ninety (90) consecutive days (as reasonably determined by the County), the County may, in its sole discretion and in addition to any other remedies the County may have hereunder, determine that the Unit shall be offered for sale pursuant to the provisions of Articles 4 and 5 and require the Qualified Owner or non-qualified Owner to rent the Unit for up to one (1) year to a Qualified Occupant while the Unit is listed for sale.

5. Non-Qualified Transferees. In the event that title to a Unit vests in any individual or entity that is not a Qualified Owner ("Non-Qualified Transferee") by descent, by foreclosure and/or redemption by any lien or mortgage holder (except any holder of a HUD-insured First Mortgage), or by operation of law or any other event, the County may elect to notify the Non-Qualified Transferee that it must sell the Unit in accordance with Articles 4 and 5. A Non-Qualified Transferee shall not: (i) occupy a Unit; (ii) rent all or any part of a Unit, except in strict compliance with this Covenant; (iii) engage in any business activity on or in a Unit; (iv) sell or otherwise transfer a Unit except in accordance with this Covenant; or (v) sell or otherwise transfer a Unit for use in trade or business.

6. Failure to Comply with Use Restrictions. These use restrictions enumerated in this Covenant are to include, but not limited to, an absolute prohibition on rentals of a Unit through any web rental portals, such as, but not limited to VRBO, Orbitz, FlipKey or Airbnb. In the event an Owner fails to comply with any of the use restrictions contained herein, the County may, but is not required to, provide notice to the Owner of the violation and an opportunity to cease and desist or cure. In addition, the County may, in its discretion, promulgate a notice and penalty schedule for use restriction violations. In the event such a schedule is adopted by the County, the County shall provide written notice to all Owners of the notice and penalty schedule. Any such notice and penalty schedule shall be in addition to those remedies available pursuant to this Covenant.

7. Sales to Preserve Unit as Affordable Housing.

A. In the event a Unit is occupied, Transferred or leased in violation of this Covenant, the County may, at its sole discretion, notify an Owner that it must immediately list the Unit for sale. The highest bid by a Qualified Owner for not less than ninety-five percent (95%) of the Maximum Sale Price shall be accepted by the Owner; provided, however, if the Unit is listed for a period of at least ninety (90) days and all bids are below ninety-five percent (95%) of the Maximum Sale Price, the Unit shall be sold to a Qualified Owner that has made the highest offer for at least the appraised market value of the Unit, as determined by the County in its reasonable good faith judgment, after such ninety (90) day period.

B. In the case of such an uncured violation, if required by the County, the Owner shall: (i) consent to any sale, conveyance or transfer of such Unit to a Qualified Owner; (ii) execute any and all documents necessary to do so; and (iii) otherwise reasonably cooperate

with the County to take actions needed to accomplish such sale, conveyance or transfer of such Unit. For this purpose Owner constitutes and appoints the County as the Owner's true and lawful attorney-in-fact with full power of substitution to complete or undertake any and all actions required under this Article 5 or as set forth elsewhere in this Covenant. It is further understood and agreed that this power of attorney, which shall be deemed to be a power coupled with an interest, cannot be revoked. Owner specifically agrees that all power granted to the County under this Covenant may be assigned by it to its successors or assigns.

C. In order to preserve the affordability of the Units for persons of low to moderate income, the County, or its agent, as applicable, shall also have and is hereby granted the right and option to purchase a Unit, exercisable within a period of fifteen (15) calendar days after notice is sent by the County to the Owner that requires the Owner to sell the Unit due to a violation pursuant to this Section. The County shall complete the purchase of such Unit within thirty (30) calendar days after exercising its option hereunder for a price equal to the lesser of the appraised market value of the Unit, as determined by the County in its reasonable good faith judgment, or the Maximum Sale Price. The County may assign its option to purchase hereunder to an eligible purchaser which, for the purpose of this Section 7.C., shall be a Qualified Owner.

D. In all situations in which the provisions of this Article 5 apply, the County may alternatively require the Owner to promptly rent a Unit to a lessee that is deemed a Qualified Occupant in accordance with the requirements of this Covenant and subject to the one (1) year limit while the Unit is listed for sale.

8. VSRI as Third Party Beneficiary.

A. Vail Summit Resorts, Inc. ("VSRI"), and/or its successors in interest to the Keystone PUD, shall be deemed third party beneficiaries to the terms of this Covenant. By this Covenant VSRI is specifically granted enforcement and cure rights as set forth in Articles 5 and 6 and under either of the following conditions:

i. The County has not enforced the terms of this Covenant such that material violations of the terms have occurred, are on-going, and neither the County nor its designee is engaged in any current enforcement action.

ii. The County has failed to cure, redeem, or otherwise prevent a foreclosure of a Unit and this Covenant is in imminent danger of being released pursuant to Article 6, Section 1.

B. No amendment to this Covenant shall be made without the prior written consent from VSRI, which consent shall not be unreasonably withheld. The County agrees to provide VSRI with at least thirty (30) days to review and approve any proposed changes to the Covenant; provided, however, that if no answer is received after the end of thirty (30) days from the date VSRI was notified in writing of the proposed changes, VSRI shall be deemed to have consented to the changes.

ARTICLE 6
FORECLOSURE

1. Release. Notwithstanding anything herein to the contrary, this Covenant shall be deemed released as to a Unit in the event of the issuance of a public trustee's deed, sheriff's deed or similar conveyance of the Unit in connection with a foreclosure by the holder of a HUD- insured First Mortgage

2. Lien and Promissory Note.

A. County shall have, and is hereby granted, a lien against a Unit ("County's Lien") to secure payment of any amounts due and owing County pursuant to this Covenant, including, but not limited to, all sales proceeds over and above the Maximum Sales Price. The County's Lien on the respective Unit shall be superior to all other liens and encumbrances except the following:

- (1) liens and encumbrances recorded prior to the recording of this Covenant;
- (2) real property ad valorem taxes and special assessment liens duly imposed by Colorado governmental or political subdivision or special taxing districts;
- (3) liens given superior priority by operation of law; and
- (4) the lien of any First Mortgage against a Unit.

B. Recording of this Covenant constitutes record notice and perfection of the County's Lien. No further recordation of any claim of lien is required. By virtue of the County's Lien, County shall have all of the rights that a mortgage holder may have against a Unit, including, but not limited to, the right to judicially foreclose upon a Unit. The County shall be entitled to file such notices and other information necessary to preserve its rights, as a lienor, to cure and redeem in foreclosure of a Unit, as provided by C.R.S. 38-38-101 et seq. In addition, unless otherwise instructed by the County in writing, the Owner shall sign, acknowledge, and cooperate in the County's recording in the County Clerk and Recorder's Office immediately subsequent to the recording of the First Mortgage, a Promissory Note and Deed of Trust substantially in the form attached hereto as Exhibit D, in order to assure that the County receives notice and the opportunity to cure in the event of the foreclosure of the First Mortgage pursuant to this Article. The Promissory Note and Deed of Trust shall not alter the priority date of the County Lien as established herein.

C. The sale or other Transfer of a Unit shall not affect the County Lien. No sale or deed in lieu of foreclosure shall relieve the Owner from continuing personal liability for payment of his or her obligations hereunder. The County Lien does not prohibit actions or suits to recover sums due pursuant to this Covenant, or to enforce the terms of this Covenant, or to prohibit the County from taking a deed in lieu of foreclosure.

D. Upon request, the County shall agree to subordinate the County Lien and Promissory Note to a bona fide mortgage or deed of trust provided that the total principal

indebtedness secured by those mortgages or deed of trust with priority over the County Lien shall not exceed ninety seven percent (97%) of the current allowed Maximum Resale Price under this Covenant as of the date of subordination. To the extent that Exhibit D is inconsistent with this provision, the provisions of this Section 6.2.D. shall control.

3. County Option to Redeem.

A. Notice of Default to the County. Within ten (10) days after Owner's receipt of any notice of default from a Mortgagee or the home owner's association governing the Unit, the Owner shall give written notice of such default to the County and VSRI.

B. Foreclosure/County Option to Redeem. In the event of a foreclosure of a First Mortgage or the assessment lien of the home owner's association, the County or its authorized agent and VSRI shall be entitled to receive notice of the foreclosure proceedings as is required by law to be given by the public trustee or the sheriff, as applicable, to lienors of a Unit that are junior to the First Mortgage (as provided in C.R.S. §38-38-101 et seq., or any succeeding statute). The County shall have a right of redemption, purchase, and such other rights as a lienor and holder of a deed of trust in foreclosure, as its interest appears, in accordance with Colorado law governing foreclosure, and VSRI shall have the same rights as the County except that VSRI's rights may only be exercised if the County does not exercise its rights provided for herein.

C. Upon Exercising Option. In the event that the County obtains title to a Unit pursuant to this Article 6, the County or its designee, may sell such Unit to a Qualified Owner, or rent such Unit to a Qualified Occupant for up to one (1) year while such Unit is listed for sale. If VSRI exercises its rights under the conditions set forth in Section 3.B. above, VSRI may sell such Unit to a Qualified Owner, or rent such Unit to a Qualified Occupant for up to one (1) year while such Unit is listed for sale.

4. Perpetuities Savings Clause. If any of the terms, covenants, conditions, restrictions, uses, limitations, obligations or options created by this Covenant shall be unlawful or void for violation of: (i) the rule against perpetuities or some analogous statutory provision; (ii) the rule restricting restraints on alienation; or (iii) any other statutory or common law rules imposing like or similar time limits, then such provision shall continue only for the shorter of (x) the term of this Covenant, or (y) the period of the lives of the current duly elected and seated Commissioners of the County, their now living descendants, if any, and the survivor of them, plus twenty-one (21) years.

5. Notices. In the event of a foreclosure of a Unit, those parties noted below are to be given written notice of any foreclosure proceedings as part of any and all formal notification requirements pursuant to the foreclosure. Those parties are to include the County and the Summit Combined Housing Authority (SCHA) as provided for in Section 8.13 below.

6. Enforcement of This Restriction. Each Owner hereby grants and assigns to the County or its designee the right to review and enforce compliance with this Covenant. Compliance may be enforced by the County by any lawful means, including without limitation, seeking any equitable relief (including, without limitation, specific performance), as well as a suit for damages;

provided, however, in the event a Unit is financed by a HUD-insured First Mortgage and is sold in violation of this Covenant, such enforcement shall not include:

- a. acceleration of a mortgage;
- b. voiding a conveyance by an Owner;
- c. terminating an Owner's interest in a Unit; or
- d. subjecting an Owner to contractual liability.

Notwithstanding the foregoing, in no event shall the County have any equitable remedies (including, but not limited to, the right to sue for specific performance or seek other equitable relief) or the right to sue for damages if the Owner of a Unit that was financed with a HUD-insured First Mortgage breaches or violates the terms, covenants and other provisions of Article 6 hereof and if to do so would violate any existing or future requirement of HUD; it being understood, however, that in such event, the County shall retain all other rights and remedies hereunder for enforcement of any other terms and provisions hereof, including, without limitation: (i) the right to sue for damages to reimburse the County, or its agents, for its enforcement costs and to require an Owner to repay with reasonable interest (not to exceed ten percent (10%) per annum) any assistance received in connection with the purchase of a Unit; (ii) the right to prohibit an Owner from retaining sales or rental proceeds collected or received in violation of this Covenant; and (iii) the option to purchase granted to the County in Article 6 hereof. Venue for a suit enforcing compliance shall be proper in the County and service may be made or notice given by posting such service or notice in a conspicuous place on the applicable Unit. As part of any enforcement action on the part of the County, the applicable Owner shall pay all court costs and reasonable legal fees incurred by the County or its agents, in connection with these claims, actions, liabilities or judgments, including an amount to pay for the time, if any, of the County's, or its agents' attorney fees spent on such claims at the rates generally charged for similar services by private practitioners within the County.

7. Injunctive and other Equitable Relief. Each Owner agrees that in the event of Owner's default under or non-compliance with the terms of this Covenant, the County shall have the right to seek such equitable relief as it may deem necessary or proper, including, without limitation, the right to: (a) seek specific performance of this Covenant; (b) obtain a judgment from any court of competent jurisdiction granting a temporary restraining order, preliminary injunction and/or permanent injunction; and (c) set aside or rescind any sale of a Unit made in violation of this Covenant. Any equitable relief provided for in this Covenant may be sought singly or in combination with such legal remedies as the County may be entitled to, either pursuant to this Covenant, under the laws of the State of Colorado, or otherwise.

ARTICLE 7 **INSURANCE**

1. Owner Insurance Requirements. Each Owner, shall, in conjunction with the purchase or acquisition of a Unit, keep the Unit and its improvements now existing or hereafter erected, insured against loss or casualty by fire or hazards included within the term "extended

coverage" in an amount equal to the replacement costs of returning the Unit to its condition prior to loss ("Property Insurance"). The insurance carrier providing the insurance shall be qualified to write Property Insurance in Colorado and shall be chosen by Owner subject to the County's right to reject the chosen carrier for objectively reasonable cause. All insurance policies and renewals thereof shall provide that the insurance carrier shall notify the County at least ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to the County by Owner at or before closing. The County shall have the right, but not the obligation, to request proof of insurance and/or continued coverage limits from the Owner by written request, at any such time(s) as the County deems appropriate. In the event of loss, Owner shall give prompt notice to the insurance carrier and the County. Insurance proceeds shall be applied to restoration or repair of the Unit damaged, provided such restoration or repair is economically feasible and the security of any existing deed of trust or mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of an existing deed of trust would be impaired, the insurance proceeds shall be applied to the sums secured by the deed of trust, with the excess, if any, paid to Owner.

ARTICLE 8

GENERAL PROVISIONS

1. **Equal Housing Opportunity.** Pursuant to the Fair Housing Act and the County's public policy, the County shall not discriminate on the basis of race, creed, color, sex, national origin, familial status, disability or sexual orientation in the lease, sale, use or occupancy of a Unit.
2. **Rules, Regulations, and Standards.** The County shall have the authority to promulgate and adopt such rules, regulations and standards as it may deem appropriate, from time to time, for the purpose of carrying out its obligations and responsibilities described herein.
3. **Waiver of Exemptions.** Every Owner, by taking title to a Unit, shall be deemed to have subordinated to this Covenant any and all right of homestead and any other exemption in, or with respect to, such Unit under state or federal law presently existing or hereafter enacted.
4. **Severability.** Invalidation of any one of the covenants or restrictions contained herein by judgment or Court order shall in no way affect any other provisions, it being the intent of the County that such invalidated provision be severable.
5. **Term.** Subject to the termination and/or release provisions contained herein, the restrictions contained herein shall run with the land and bind the land in perpetuity.
6. **Amendment.** This Covenant may be amended only by an instrument recorded in the records of the County executed by the County and the then-Owner of a Unit; provided, however, the County reserves the right to unilaterally amend this Covenant without the approval or consent of any Owner, Mortgagee, or any other person or entity for the purpose of (a) making non-material changes (such as for correction of technical, typographical, or clerical errors), or for clarification of a statement; or (b) without regard to (a), if such amendment lessens the ownership, use, sales and lease restrictions placed upon the Owners as provided herein. The County may unilaterally execute and record such amendments at any time.

7. No Third Party Beneficiaries. This Covenant is made and entered into for the protection and benefit of the County and the Owner. Except as otherwise specifically provided for herein with respect to VSRI, no other person, persons, entity or entities, including without limitation prospective buyers of a Unit, shall have any right of action with respect to this Covenant or right to claim any right or benefit from the terms provided in this Covenant or be deemed a third party beneficiary of this Covenant.

8. Non-Liability. The County and its respective employees, members, officers and agents shall not be liable to any Owner or third party by virtue of the exercise of the rights of the County or VSRI or the performance of their obligations under this Covenant. The parties understand and agree that they are relying on, and do not waive or intend to waive by any provision of this Covenant, the monetary limitations or any other rights, immunities or protections afforded by the Governmental Immunity Act, CRS §§ 24-10-101, et seq., as they may be amended, or any other limitation, right, immunity or protection otherwise available to the parties.

9. Exhibits. All exhibits attached hereto are incorporated herein and by this reference made part hereof.

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

11. Personal Liability. Each Owner shall be personally liable for any of the transactions contemplated herein, jointly and severally with his or her co-owners.

12. Further Actions. The Owner and Owner's successors and assigns agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Covenant or any agreement or document relating hereto or entered into in connection herewith.

13. Notices. Any notice, consent or approval which is required or permitted to be given hereunder shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to any address provided herein or to any subsequent mailing address of the party as long as prior written notice of the change of address has been given to the other parties to this Covenant. Said notices, consents and approvals shall be sent to the parties hereto at the following addresses unless otherwise notified in writing:

To the Summit County: Summit County Housing Department
PO Box 5660
Frisco CO 80443

With a Copy to: Summit County Attorney's Office
PO Box 68
Breckenridge, CO 80424

To the SCHA: Summit Combined Housing Authority
P.O. Box 188
Breckenridge, CO 80424

To VSRI: Vail Summit Resorts, Inc.
390 Interlocken Crescent
Broomfield, CO 80021
Attn: Legal Department – Real Estate Counsel

To an Owner: At the address for such Owner as shown in the records of the Summit County, Colorado Assessor

14. Choice of Law. This Covenant and each and every related document shall be governed and constructed in accordance with the laws of the State of Colorado.

15. 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.

16. Headings. Article and Section headings within this Covenant are inserted solely for convenience or reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

17. Signatures. Signatures to this Covenant may be in counterparts and by facsimile or scanned emailed document.

[Separate signature and Approval and Acceptance pages follow]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has set its hand unto this Covenant this 22nd day of August, 2018.

WEST HILLS, LLC,
a Colorado limited liability company

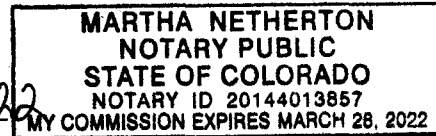
By _____

STATE OF COLORADO)
) ss
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me as of the 22 day of August, 2018, by Tim Crane as manager of West Hills, LLC, a Colorado limited liability company.

Witness my hand and official seal.


My Commission Expires: March 28, 2022



M. Netherton
Notary Public

APPROVAL AND ACCEPTANCE

Summit County Board of County Commissioners

By: 
Scott Vargo, County Manager

STATE OF COLORADO)
) ss
COUNTY OF SUMMIT)


The foregoing instrument was acknowledged before me as of the 29 day of August, 2018, by Scott Vargo as County Manager, on behalf of the Summit County Board of County Commissioners, a body corporate and politic.

Witness my hand and official seal.

My Commission Expires: 1/26/2021

SARAH WILKINSON
NOTARY PUBLIC - STATE OF COLORADO
Notary ID #20174004007
My Commission Expires 1/26/2021


Notary Public

Approved as
to Case


APPROVAL PURSUANT TO MASTER HOUSING COVENANT

The foregoing Covenant is approved as being in compliance with the terms of the Master Housing Covenant recorded June 30, 2017 at Reception No. 1144948, Summit County, Colorado, subject to the recording of the separate Employee Housing Preservation Agreement between the County and VSRI following the recording of the foregoing Covenant.

Vail Summit Resorts, Inc.

By: [Signature]
Name: James O'Donnell
Title: EvP & COO

STATE OF COLORADO)
) ss
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me as of the 13 day of August, 2018, by

Witness my hand and official seal.

My Commission Expires: May 18, 2020

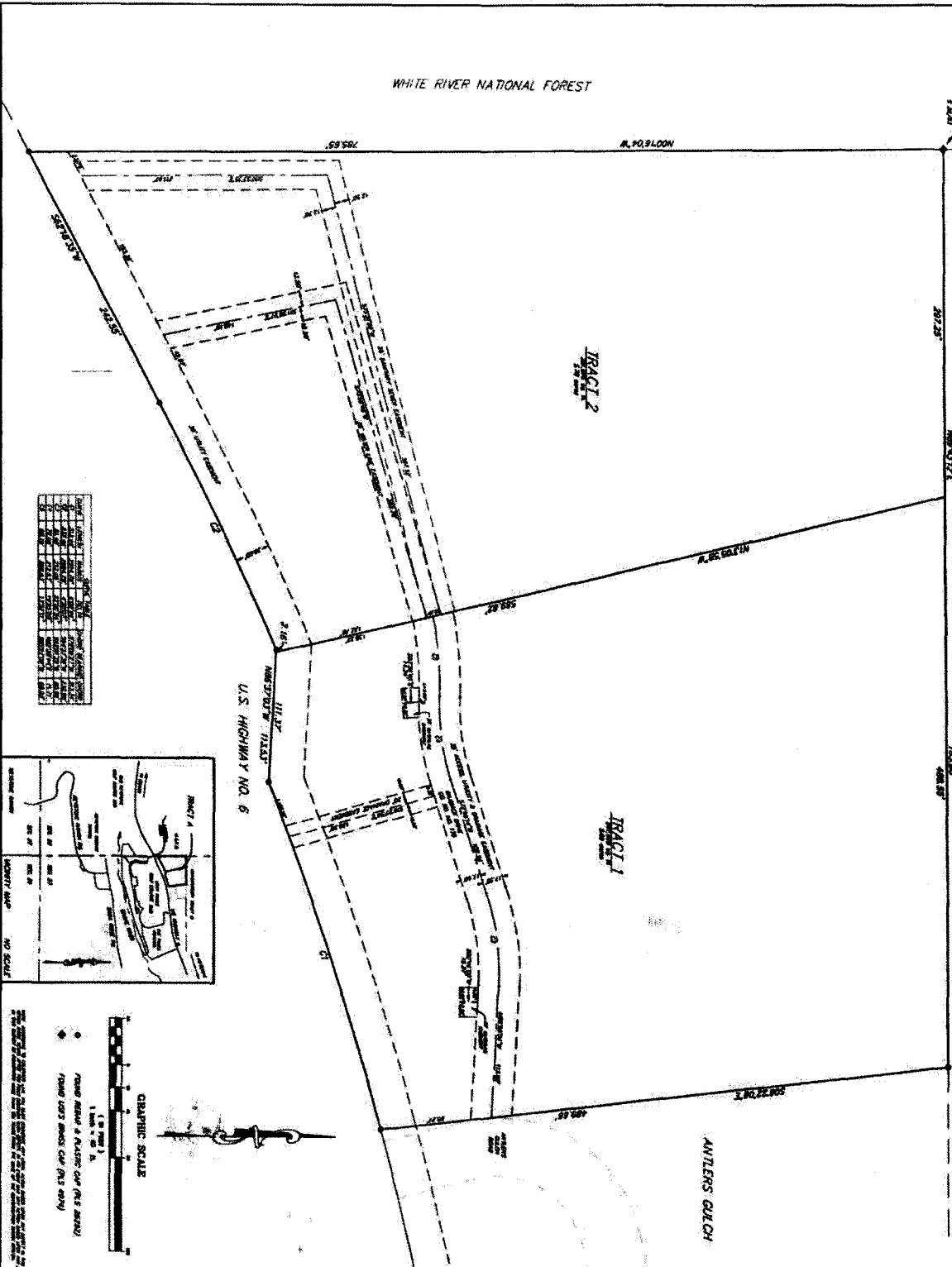
Allison Scott
Notary Public

EXHIBIT A

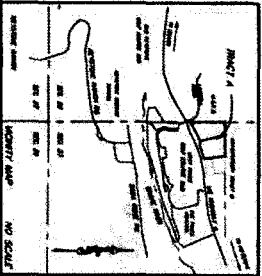
Property

WHITE RIVER NATIONAL FOREST

A SUBDIVISION EXCEPT FOR PLAT OF
 A RESUBDIVISION OF TRACT A, WINTERGREEN SUBDIVISION, FILING NO. 2
 ACCORDING TO THE PLAT RECORDED UNDER REC. NO. 65017
 SHERIFF COUNTY, COLORADO



TRACT	ACRES	FRAC.	PERCENT
TRACT 1	11.27	11.27	100.00
TRACT 2	2.65	2.65	100.00
TRACT B	1.00	1.00	100.00
TOTAL	14.92	14.92	100.00



THESE TRACTS ARE BEING SUBDIVIDED INTO LOTS OF APPROXIMATELY EQUAL SIZE FOR THE PURPOSE OF CONVEYING TO THE STATE OF COLORADO THE INTEREST OF THE LAND OWNERS IN THE SAME.

REMARKS:
 THIS PLAT IS A RESUBDIVISION OF TRACT A, WINTERGREEN SUBDIVISION, FILING NO. 2, ACCORDING TO THE PLAT RECORDED UNDER REC. NO. 65017, SHERIFF COUNTY, COLORADO.

NATIONAL CERTIFICATE
 I, the undersigned, Surveyor General of the State of Colorado, do hereby certify that the above described land is the same as that shown on the original plat of the same, and that the same is being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

LOCAL CERTIFICATE
 I, the undersigned, Surveyor General of the State of Colorado, do hereby certify that the above described land is the same as that shown on the original plat of the same, and that the same is being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

FILE COMPANY CERTIFICATE
 I, the undersigned, Surveyor General of the State of Colorado, do hereby certify that the above described land is the same as that shown on the original plat of the same, and that the same is being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

SHERIFF'S CERTIFICATE
 I, the undersigned, Sheriff of the County of Sheriff, do hereby certify that the above described land is the same as that shown on the original plat of the same, and that the same is being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

BOARD OF COUNTY COMMISSIONERS' APPROVAL
 We, the Board of County Commissioners of the County of Sheriff, do hereby approve the above described land being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

RECORDS' APPROVAL
 I, the undersigned, Recorder of the County of Sheriff, do hereby certify that the above described land is the same as that shown on the original plat of the same, and that the same is being subdivided into lots of approximately equal size for the purpose of conveying to the State of Colorado the interest of the land owners in the same.

Surveyor	John J. [Signature]
Recorder	[Signature]
Surveyor General	[Signature]

1918

EXHIBIT B

AMI and Unit Designations

BUILDING #	BUILDING TYPE	UNIT/UNIT TYPE	QTY	BD / BA	AMI	Price
1	Triplex	A	1	2 / 2	110	372,695
		B	1	2 / 2	100	332,553
		C	1	2 / 2	110	372,695
2	Duplex	A	1	3 / 2	110	441,149
		B	1	3 / 2	110	441,149
3	Triplex	A	1	2 / 2	110	372,695
		B	1	2 / 2	100	332,553
		C	1	2 / 2	110	372,695
4	Duplex	A	1	3 / 2	110	441,149
		B	1	3 / 2	110	441,149
5	Duplex	A	1	3 / 2	110	441,149
		B	1	3 / 2	110	441,149
6	Duplex	A	1	3 / 2	110	441,149
		B	1	3 / 2	110	441,149
7	9-plex	1st Floor Interior Unit	2	2 / 2	70	212,126
		1st Floor Exterior Unit	2	2 / 2	80	252,268
		2nd Floor Interior Unit	2	2 / 2	80	252,268
		2nd Floor Exterior Unit	2	2 / 2	90	292,411
		Ground Floor ADA Unit	1	2 / 1	80	252,268
8	9-plex	1st Floor Interior Unit	2	2 / 2	70	212,126
		1st Floor Exterior Unit	2	2 / 2	80	252,268
		2nd Floor Interior Unit	2	2 / 2	80	252,268
		2nd Floor Exterior Unit	2	2 / 2	90	292,411
		Ground Floor ADA Unit	1	2 / 1	80	252,268
9	9-plex	1st Floor Interior Unit	2	2 / 2	70	212,126
		1st Floor Exterior Unit	2	2 / 2	80	252,268
		2nd Floor Interior Unit	2	2 / 2	80	252,268
		2nd Floor Exterior Unit	2	2 / 2	90	292,411
		Ground Floor ADA Unit	1	2 / 1	80	252,268
Total Units			41	Avg AMI	89.76	
Total Sales						12,496,314

EXHIBIT C
HUD GUIDELINES

SCHA
2018 SUMMIT COUNTY AREA MEDIAN INCOME (AMI)
#s outlined in RED are directly from HUD 4/1/18; other numbers have been extrapolated

Household size	HUD EXTREMELY LOW		HUD LOW		TRUE		100%	110%	120%	125%	140%	160%
	INCOME	50%	60%	INCOME	80%	90%						
1 person	\$19,050	\$31,750	\$38,100	\$50,350	\$50,800	\$57,150	\$63,500	\$69,850	\$76,200	\$79,375	\$88,900	\$101,600
1.5 person	\$20,425	\$34,000	\$40,800	\$53,950	\$54,400	\$61,200	\$68,000	\$74,800	\$81,600	\$85,000	\$95,200	\$108,800
2 person	\$21,800	\$36,250	\$43,500	\$57,550	\$58,000	\$65,250	\$72,500	\$79,750	\$87,000	\$90,625	\$101,500	\$116,000
3 person	\$24,500	\$40,800	\$48,960	\$64,750	\$65,280	\$73,440	\$81,600	\$89,760	\$97,920	\$102,000	\$114,240	\$130,560
4 person	\$27,200	\$45,300	\$54,360	\$71,900	\$72,480	\$81,540	\$90,600	\$99,660	\$108,720	\$113,250	\$126,840	\$144,960
4.5 person	\$28,310	\$47,125	\$56,550	\$74,800	\$75,400	\$84,825	\$94,250	\$103,675	\$113,100	\$117,813	\$131,950	\$150,800
5 person	\$29,420	\$48,950	\$58,740	\$77,700	\$78,320	\$88,110	\$97,900	\$107,690	\$117,480	\$122,375	\$137,060	\$156,640
6 person	\$33,740	\$52,550	\$63,060	\$83,450	\$84,080	\$94,590	\$105,100	\$115,610	\$126,120	\$131,375	\$147,140	\$168,160
7 person	\$38,060	\$56,200	\$67,440	\$89,200	\$89,920	\$101,160	\$112,400	\$123,640	\$134,880	\$140,500	\$157,360	\$179,840
8 person	\$42,380	\$59,800	\$71,760	\$94,950	\$95,680	\$107,640	\$119,600	\$131,560	\$143,520	\$149,500	\$167,440	\$191,360

FOR RENT

MAXIMUM AFFORDABLE MONTHLY RENT - includes utilities

Affordability = 30% of monthly household income
Utilities that should be included: electric, gas, water, sewer, trash & snow removal

	HUD EXTREMELY LOW		HUD LOW		TRUE		100%	110%	120%	125%	140%	160%
	INCOME	50%	60%	INCOME	80%	90%						
Studio (1 person)	\$476.25	\$793.75	\$952.50	\$1,258.75	\$1,270.00		\$1,587.50	\$1,746.25	\$1,905.00	\$1,984.38	\$2,222.50	\$2,540.00
1 bed (1.5 person)	\$510.63	\$850.00	\$1,020.00	\$1,348.75	\$1,360.00		\$1,700.00	\$1,870.00	\$2,040.00	\$2,125.00	\$2,380.00	\$2,720.00
2 bed (3 person)	\$612.50	\$1,020.00	\$1,224.00	\$1,618.75	\$1,632.00		\$2,040.00	\$2,244.00	\$2,448.00	\$2,550.00	\$2,856.00	\$3,264.00
3 bed (4.5 person)	\$707.75	\$1,178.13	\$1,413.75	\$1,870.00	\$1,885.00		\$2,356.25	\$2,591.88	\$2,827.50	\$2,945.31	\$3,298.75	\$3,770.00
4 bed (6 person)	\$843.50	\$1,313.75	\$1,576.50	\$2,086.25	\$2,102.00		\$2,627.50	\$2,890.25	\$3,153.00	\$3,284.38	\$3,678.50	\$4,204.00

FOR SALE

MAXIMUM MONTHLY PRINCIPAL AND INTEREST PAYMENT

Based on using the affordable monthly payment above, less \$350/month (as an allowance to cover taxes, insurance and HOA dues)

	HUD EXTREMELY LOW		HUD LOW		TRUE		100%	110%	120%	125%	140%	160%
	INCOME	50%	60%	INCOME	80%	90%						
Studio (1 person)	\$126.25	\$443.75	\$602.50	\$908.75	\$920.00		\$1,237.50	\$1,396.25	\$1,555.00	\$1,634.38	\$1,872.50	\$2,190.00
1 bed (1.5 person)	\$160.63	\$500.00	\$670.00	\$998.75	\$1,010.00		\$1,350.00	\$1,520.00	\$1,690.00	\$1,775.00	\$2,030.00	\$2,370.00
2 bed (3 person)	\$262.50	\$670.00	\$874.00	\$1,268.75	\$1,282.00		\$1,690.00	\$1,894.00	\$2,098.00	\$2,200.00	\$2,506.00	\$2,914.00
3 bed (4.5 person)	\$357.75	\$828.13	\$1,063.75	\$1,520.00	\$1,535.00		\$2,006.25	\$2,241.88	\$2,477.50	\$2,595.31	\$2,948.75	\$3,420.00
4 bed (6 person)	\$493.50	\$963.75	\$1,226.50	\$1,736.25	\$1,752.00		\$2,277.50	\$2,540.25	\$2,803.00	\$2,934.38	\$3,328.50	\$3,854.00

MAXIMUM SALES PRICE

Based on interest rate of 5.46%, 30 year term, and 90% LTV. (Interest rate reflects the FHLMC 10 year trailing average, years 2008 - 2017)

	HUD EXTREMELY LOW		HUD LOW		TRUE		100%	110%	120%	125%	140%	160%
	INCOME	50%	60%	INCOME	80%	90%						
Studio (1 person)	\$24,843	\$87,320	\$118,558	\$178,821	\$181,035		\$243,511	\$274,749	\$305,988	\$321,607	\$368,464	\$430,941
1 bed (1.5 person)	\$31,607	\$98,388	\$131,840	\$196,531	\$198,744		\$265,649	\$299,101	\$332,553	\$349,279	\$399,457	\$466,361
2 bed (3 person)	\$51,654	\$131,840	\$171,983	\$249,660	\$252,268		\$332,553	\$372,695	\$412,837	\$432,909	\$493,122	\$573,407
3 bed (4.5 person)	\$70,397	\$162,956	\$209,321	\$299,101	\$302,052		\$394,783	\$441,149	\$487,514	\$510,697	\$580,245	\$672,976
4 bed (6 person)	\$97,109	\$189,644	\$241,347	\$341,653	\$344,753		\$448,159	\$499,862	\$551,565	\$577,417	\$654,971	\$758,377

THESE FIGURES ARE SUBJECT TO CHANGE WITHOUT NOTICE

EXHIBIT D

Appreciation Limiting Promissory Note (D-1) and Deed of Trust (D-2)

EXHIBIT D-1
APPRECIATION LIMITING PROMISSORY NOTE
(West Hills)
(the "Note")

Date

FOR VALUE RECEIVED, _____ (the "Maker"), jointly and severally if more than one, promises to pay to the order of SUMMIT COUNTY, P.O. Box 68, Breckenridge, CO 80424 ("County"), fifteen (15) days after written demand for payment ("Due Date"), all sums that become due to County from Maker after the date of this Note under the "Restrictive Housing Covenant And Notice Of Lien For 'West Hills', Summit County, Colorado," dated _____, 2018 and recorded _____, 2018 under Reception No. _____ of the records of the Clerk and Recorder of Summit County, Colorado.

This Note shall not bear interest until the Due Date. If this Note is not paid on or before the Due Date, it shall thereafter bear interest at the rate of eighteen percent (18%) per annum from the Due Date until fully paid.

The Maker and any surety, guarantor, and endorser of this Note, jointly and severally, hereby waive notice of, and consent to any and all extensions of this Note or any part thereof without notice and each hereby waives demand, presentment for payment, notice of nonpayment and protest, and any and all notice of whatever kind or nature.

No waiver by the County of any one or more of the terms and conditions herein contained shall be deemed a waiver of the other terms and conditions herein contained; nor shall any such waiver be considered for any reason as continuing or perpetual in nature.

This Note is secured by a deed of trust on the following real property located in Summit County, Colorado:

Unit _____, West Hills Townhomes, according to the map thereof recorded or to be recorded in the records of the Clerk and Recorder of the County of Summit, Colorado and as defined as described in the Declaration of Covenants, Conditions, And Restrictions Of The West Hills Townhomes, dated _____, 2018 and recorded _____, 2018 under Reception No. _____ of the records of the Clerk and Recorder of Summit County, Colorado, subject to the rules and regulations of the West Hills Homeowner's Association, together with any "Common Elements" of the homes, in each case that are appurtenant to such Unit.

The undersigned hereby acknowledges receipt of a true copy of this Note.

Maker

Maker

EXHIBIT D-2
Deed of Trust

IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL
COUNSEL

THIS IS A LEGAL INSTRUMENT IF NOT UNDERSTOOD, LEGAL, TAX, OR OTHER
COUNSEL SHOULD BE CONSULTED BEFORE SIGNING

DEED OF TRUST
(Homes at West Hills)

THIS DEED OF TRUST is made this _____ day of _____, 2018 between _____ (Borrower), whose address is _____ and the Public Trustee of the County in which the Property (see paragraph 1) is situated (Trustee); for the benefit of SUMMIT COUNTY (Lender), whose address is P.O. Box 68, Breckenridge, CO 80424.

Borrower and Lender covenant and agree as follows:

1. **Property is Trust.** Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following described property located in the County of Summit, State of Colorado:

Lot ____, WEST HILLS TOWNHOMES FILING No. 1 According to the Plat recorded _____ 2018 at Reception No _____ and according to the Declaration for the Homes at West Hills Recorded June 20, 2018 at Reception No. 1172575, County of Summit, State of Colorado.

2. **Note; Other Obligations Secured.** This Deed of Trust is given to secure to Lender Borrower's obligations as set forth in the Appreciation Limiting Promissory Note of even date herewith. Without limiting the generality of the preceding sentence, this Deed of Trust secures Borrower's obligations to Lender as set forth in the Residential Housing Restriction And Notice Of Lien For "Homes at West Hills," Summit County, Colorado recorded November 21, 2017 under Reception No. 1157475 of the records of the Clerk and Recorder of Summit County, Colorado.

3. **Title.** Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date.

4. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.

5. Prior Mortgages and Deeds of Trust; Charges; Liens. Borrower shall perform all of Borrower's obligations under any prior deed of trust and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust by Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this paragraph if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

6. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on Leasehold. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership, or occupancy of the Property.

7. Protection of Lender's Security. Except when Borrower has exercised Borrower's rights under paragraph 6 above, if the Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if a default occurs in prior lien, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to:

- (a) any general or special taxes or ditch or water assessments levied or accruing against the Property;
- (b) the premiums on any insurance necessary to protect any improvements comprising a part of the Property;
- (c) sums due on any prior lien or encumbrance on the Property;
- (d) if the Property is a leasehold or is subject to a lease, all sums due under such lease;
- (e) the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the employment of the Lender or holder of the certificate of purchase;
- (f) all other costs and expenses allowable by the evidence of debt or this Deed of Trust, and
- (g) such other costs and expenses which may be authorized by the court of competent jurisdiction.

Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Such amounts shall be payable upon notice from the Lender to Borrower requesting payment thereof, and Lender may bring suit to collect any amounts so disbursed plus interest. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any actions hereunder.

8. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower, nor Borrower's successors in interest, from the original terms of this Deed of Trust. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower nor Borrower's successors in interest.

9. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.

10. Remedies Cumulative. Each Remedy provided in the Note and this Deed of Trust is distinct from and cumulative to all other rights or remedies under the Note and this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

11. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 18 Transfer of the Property; Assumption. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

12. Notice. Except for any notice required by law to be given in another manner: (a) any notice to Borrower provided for in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such notice by first-class mail, addressed to Borrower at Borrower's address stated herein or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be effective upon (1) delivery to Lender or (2) mailing such notice by first-class mail, addressed to Lender at Lender's address stated herein or at such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower and Lender when given in any manner designated herein.

13. Governing Law; Severability. The Note and this Deed of Trust shall be governed by the law of Colorado. In the event that any provision or clause of this Deed of Trust or the Note conflicts with the law, such conflict shall not affect other provisions of the Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and Note are declared to be severable.

14. Acceleration: Foreclosure: Other Remedies. Except as provided in paragraph 18 Transfer of Property; Assumption, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, or upon any default in a prior lien upon the Property, (unless Borrower has exercised Borrower's rights under paragraph 5 above), at Lender's option, all of the sums secured by this Deed of Trust shall be immediately due and payable (Acceleration). To exercise this option, Lender may invoke the power of sale and any other remedies permitted by law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of such election. Trustee shall give notice to Borrower of Borrower's rights as provided by law. Trustee shall record a copy of such notice as required by law. Trustee shall advertise the time and place of the sale of the Property, for not less than four weeks in a newspaper of general circulation in each county for which the Property is situated, and shall mail copies of such notice of sale to Borrower and other persons as prescribed by law. After the lapse of such time as may be required by law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcel as Trustee may think best and in such order as Trustee may determine. Lender or Lender's designee may purchase the Property at any sale. It shall not be obligatory upon the Purchaser at any such sale to see to the application of the purchase money.

Trustee shall apply the proceeds of the sale in the following order; (a) to all reasonable costs and expenses of the sale, including but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

15. Borrower's Right to Cure Default. Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the owners of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and interest payment due as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided by law. Upon such payment, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as though no Acceleration had occurred, and the foreclosure proceedings shall be discontinued.

16. Release. Upon payment of all sums secured by this Deed of Trust, Lender shall cause Trustee to release this Deed of Trust and shall produce for Trustee the Note. Borrower shall pay all costs of recordation and shall pay the statutory Trustee's fees. If Lender shall not produce the Note as aforesaid, the Lender, upon notice in accordance with paragraph 12 (Notice) from Borrower to Lender, shall obtain , at Lender's expense, and file any lost instrument bond required by Trustee or pay the cost thereof to effect the release of this Deed of Trust.

17. Waiver of Exemptions. Borrower hereby waives all right of homestead and any other exemptions in the Property under state or federal law presently existing or hereafter enacted.

18. Transfer of Property; Assumption. The following events shall be referred to herein as a "Transfer": (1) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein), (ii) the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein), (iii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of three (3) years, (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, more than fifty percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in the Borrower, (v) the reorganization, liquidation or dissolution of the Borrower. Not to be included as a Transfer are (1) the creation of the lien or encumbrance subordinate to this Deed of Trust, (ii) the creation of a purchase money security interests for household appliances, or (iii) a transfer by devise, descent or by operation of the law upon the death of a joint tenant. At the election of Lender, in the event of each and every transfer:

- (a) All sums secured by this Deed of Trust shall become immediately due and payable (Acceleration).
- (b) If a Transfer occurs and should Lender not exercise Lender's option pursuant to this paragraph 18 to Accelerate, Transferee shall be deemed to have assumed all of the obligations of Borrower under this Deed of Trust including all sums secured hereby whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until said sums are paid in full. The Lender may without notice to the Borrower deal with Transferee in the same manner as with the Borrower with reference to said sums including the payment or credit to Transferee of undisbursed reserve Funds on payment in full of said sums, without in any way altering or discharging the Borrower's liability hereunder for the obligations hereby secured.
- (c) Should Lender not elect to Accelerate upon the occurrence of such Transfer then, subject to (b) above, the mere fact of a lapse of time or the acceptance of payment subsequent to any such events, whether or not Lender had actual or constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be stopped therefrom by virtue thereof. The issuance on behalf of the Lender of a routine statement showing the status of the loan, whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.

19. Borrower's Copy. Borrower acknowledges receipt of a copy of the Note and this Deed of Trust.

EXECUTED BY BORROWER:

STATE OF COLORADO)
)ss
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before this _____ day of _____, 2017
by _____ and
_____.

Witness my hand and official seal.

My commission expires: _____

Notary Public