

Official RecordRecording requested By
FIRST AMERICAN TITLE

Lincoln County - NV

Leslie Boucher - Recorder

Fee: \$46.00

Page 1 of 8

RPTT:

Recorded By: AE

Book- 302 Page- 0327



WHEN RECORDED, RETURN TO:

Callister Nebeker & McCullough
10 East South Temple, Suite 900
Salt Lake City, Utah 84133
Attn: John B. Lindsay

003-021-03
720251-NP

**DEED RESTRICTION
(Caliente)**

THIS DEED RESTRICTION (the "Deed Restriction") is made and agreed to this 22nd day of March, 2016 (the "Closing Date"), by Lincoln Senior Housing LLC, a Nevada limited liability company ("Borrower").

PRELIMINARY STATEMENT

Borrower has requested that Bonneville Mortgage Company, a Utah corporation ("Lender") make a loan to Borrower in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00) (the "Loan") and is secured by the Caliente Mortgaged Property, the Panaca Mortgaged Property and the Pioche Mortgaged Property, as such terms are defined in the Loan Agreement.

The Loan is for the financing of three (3) low income multi-family developments, including the 20-unit low income multi-family housing project located in the City of Caliente, Lincoln County, State of Nevada, known as the Lincoln Senior Housing Apartments, on a site more particularly described in Exhibit A and by this reference made a part hereof (the "Land"). (The Land and all improvements existing or to be constructed thereon are hereafter referred to as the "Caliente Mortgaged Property".)

The Loan will be governed by a Construction and Term Loan Agreement ("Loan Agreement") dated the Closing Date and executed by Borrower and Lender. The Loan will be evidenced by a Multifamily Note dated the Closing Date, executed by Borrower and payable to Lender and will be secured by, among other mortgages and collateral, a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, pertaining to the Caliente Mortgaged Property, dated the Closing Date (the "Caliente Security Instrument"), to be recorded in the land records of Lincoln County, State of Nevada.

Lender is agreeable to making the Loan to Borrower if the Loan is the subject of a ninety percent (90%) guarantee from the United States Secretary of Agriculture, acting through the United States Department of Agriculture, Rural Housing Service ("RHS") under Section 538 of the Housing Act of 1949, 12 U.S.C., Section 1490p-2 (the "RHS Guarantee"). As a condition precedent to providing the RHS Guarantee, RHS requires that Borrower execute this Deed Restriction.



NOW, THEREFORE, in consideration of Lender making the Loan to Borrower, and of the mutual undertakings set forth below, Borrower agrees as follows:

1. Definitions. All capitalized terms that are used in this Deed Restriction but not defined in this Deed Restriction shall have the meanings assigned to them by the Caliente Security Instrument.

2. Covenants of Borrower. Borrower, for itself and its successors in interest, agrees that until March 1, 2056, the Caliente Mortgaged Property can only be utilized as rental housing (not home ownership) and can only be leased to low or moderate income families or persons, whose incomes at the time of initial occupancy do not exceed 115 percent of the median income of the area ("Eligible Tenant"), as determined by the United States Department of Agriculture in accordance with 42 U.S.C 1490p-2. No Eligible Tenants occupying the housing will be required to vacate nor any Eligible Tenant denied occupancy in violation of this provision unless such Eligible Tenant does not satisfy more stringent rent and/or income restrictions pertaining to the Mortgaged Property under any other state or federal affordable housing program. This restriction is enforceable by Eligible Tenants or the United States Department of Agriculture. For further questions contact the United States Department of Agriculture, Rural Housing Service at Director of Multi-Family Processing Division, 1400 Independence Avenue, SW, STOP 0781, Washington, DC 20250.

This Deed Restriction will apply to the Caliente Mortgaged Property until March 1, 2056, unless the Caliente Mortgaged Property is acquired by foreclosure or an instrument in lieu of foreclosure, or the United States Department of Agriculture waives the applicability of this Deed Restriction after determining that each of the following three circumstances exist.

- (a) There is no longer a need for low-and moderate-income housing in the market area in which the housing is located;
- (b) Housing opportunities for low-income households and minorities will not be reduced as a result of the waiver; and
- (c) Additional federal assistance will not be necessary as a result of the waiver.

3. Covenants to Run With the Land. Borrower hereby subjects the Caliente Mortgaged Property to this Deed Restriction. Borrower hereby declares its express intent that this Deed Restriction shall be deemed a covenant running with the land and shall pass to and be binding upon Borrower's successors in title to the Caliente Mortgaged Property, until the Deed Restriction's termination under Section 2 hereof. Every contract, deed or other instrument hereafter executed covering or conveying the Caliente Mortgaged Property or any portion of the Caliente Mortgaged Property shall be deemed to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in that contract, deed or other instrument.



4. **Governing Law.** This Deed Restriction shall be governed by and construed in accordance with the laws of the state in which the Caliente Mortgaged Property is located and the United States of America, as applicable.

5. **Statutes and Regulations.** Any reference in this Deed Restriction to a statute or regulation shall include all amendments to and successors to such statute or regulation, whether adopted before or after the date of this Deed Restriction.

6. **Counterparts.** This Deed Restriction may be signed in any number of counterparts, each of which shall be an original for all purposes, but all of which taken together shall constitute only one agreement. The production of any executed counterpart of this Deed Restriction shall be sufficient for all purposes without producing or accounting for any other counterpart.

7. **Subordination to Security Instrument.** The Deed Restriction shall be subordinate to the Security Instrument notwithstanding the order of the recording of this Deed Restriction or Security Instrument.

*[SIGNATURE PAGE(S) AND EXHIBIT(S),
IF ANY, FOLLOW THIS PAGE]*




DATED: March 22, 2016.

BORROWER

LINCOLN SENIOR HOUSING LLC,
a Nevada limited liability company

By: American Covenant Senior Housing Foundation, Inc.,
a Georgia nonprofit corporation
Its: Managing Member

By: 
Gerald M. Fritts
Its: Executive Director, authorized signor



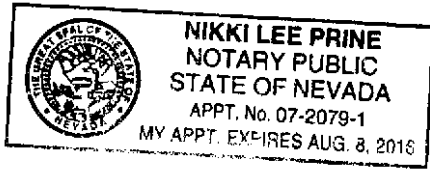
STATE OF NEVADA)
) : SS.
COUNTY OF Clark)

This instrument was acknowledged before me on March 23, 2016, by Gerald M. Fritts, as Executive Director and authorized signor of American Covenant Senior Housing Foundation, Inc., a Georgia nonprofit corporation, as Managing Member of Lincoln Senior Housing LLC, a Nevada limited liability company.

Nikki Lee Prine

Notary Public
Printed Name: Nikki Lee Prine
My Commission Expires: 8-8-16

(Seal)

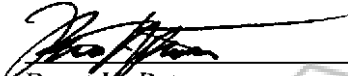


*Nikki Lee Prine
Appt. # 07-2079-1
exp: 8-8-16*



LENDER

BONNEVILLE MORTGAGE COMPANY,
a Utah corporation

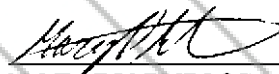
By: 
Brent H. Peterson
President, Multifamily Division
Brent H. Peterson

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

The foregoing instrument was acknowledged before me this 18th day of March, 2016, by Brent H. Peterson, President, Multifamily Division, Bonneville Mortgage Company, a Utah corporation.

(Seal)




NOTARY PUBLIC

*marcy white
675869
exp: march 24, 2018*



EXHIBIT A

REAL PROPERTY DESCRIPTION

The real property located in Lincoln County, State of Nevada, and more particularly described as follows:

(See Attached)

4830-6164-1260, v 5

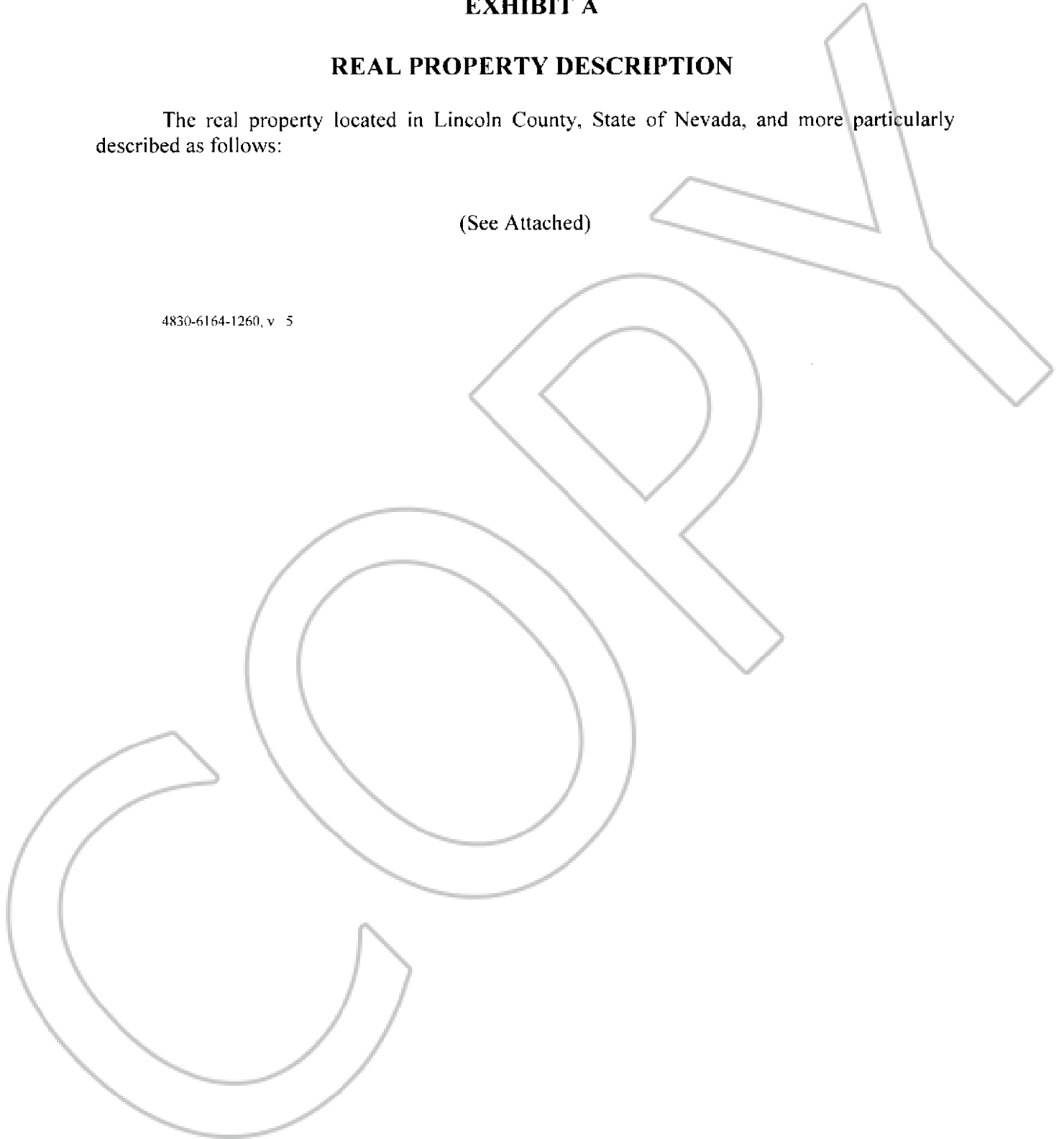


Exhibit "A"

A PORTION OF THE SOUTHWEST QUARTER (SW ¼) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 5, TOWNSHIP 4 SOUTH, RANGE 67 EAST, M.D.B.&M., IN THE COUNTY OF LINCOLN, STATE OF NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER (SW ¼) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 5, TOWNSHIP 4 SOUTH, RANGE 67 EAST, M.D.B.&M.; THENCE NORTH 20°03' EAST A DISTANCE OF 454.2 FEET TO THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL DESCRIBED IN DOCUMENT NO. 51656, BOOK 4, PAGE 305, OF THE LINCOLN COUNTY OFFICIAL RECORDS; THENCE NORTH 75°15' WEST ALONG THE SOUTH BOUNDARY OF SAID PARCEL, A DISTANCE OF 154.0 FEET TO A POINT BEING THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 75°15' WEST A DISTANCE OF 468.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL DESCRIBED IN DOCUMENT NO. 51656, BOOK 4, PAGE 305, LINCOLN COUNTY RECORDS; THENCE NORTH 18°06' EAST ALONG THE WEST BOUNDARY OF SAID PARCEL, A DISTANCE 205.00 FEET; THENCE SOUTH 75°15' EAST, A DISTANCE OF 468.00 FEET; THENCE SOUTH 18°06' WEST A DISTANCE OF 205.00 FEET TO THE TRUE POINT OF BEGINNING.

NOTE: THE ABOVE METES AND BOUNDS LEGAL DESCRIPTION APPEARED PREVIOUSLY IN THAT CERTAIN DOCUMENT RECORDED JUNE 19, 1981 IN BOOK 44, PAGE 465 AS INSTRUMENT NO. 72462.