

WHEN RECORDED, RETURN TO:

Park City Municipal Corporation
Attention: City Recorder
P.O. Box 1480
Park City, UT 84060

**AMENDMENT NO. 1 TO
RESTRICTIONS CONCERNING THE
SALE AND RENTAL OF EMPLOYEE/AFFORDABLE
HOUSING UNITS AT SILVER STAR**

This Amendment No. 1 to Restrictions Concerning the Sale and Rental of Employee/Affordable Housing Units at Silver Star (the "Amendment") is made and entered into as of the 25th day of January, 2013 (the "Effective Date"), by and between Paladin Development Partners, L.L.C., a Utah limited liability company ("Owner"), and Park City Municipal Corporation, a municipal corporation of the State of Utah ("City").

RECITALS

A. Owner and the City are parties to that certain Restrictions Concerning the Sale and Rental of Employee/Affordable Housing Units at Silver Star (the "Agreement") dated as of November 1, 2007, which Agreement was recorded in the Office of the Recorder of Summit County, Utah on February 19, 2008 as Entry No. 00837983 in Book 1915, beginning at Page 827. The Agreement pertains to twenty (20) residential condominium units located within Buildings N and O of The Silver Star Plaza Condominiums, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Units").

B. Pursuant to Section 1 of the Agreement, the ten (10) Units described as Units 25-#1 through and including 25-#10 located in Building N were defined and identified as "Seasonal Housing Units," and the Units identified as Units 65-#2 through 62-#11 located in Building O were defined and identified as "Owner-Occupied Units."

C. Owner, the City and the Park City Housing Authority determined after a public hearing before the Park City Housing Authority on November 8, 2012, that commencing as of the Effective Date of this Amendment:

1. Units 25-#1 through 25-#10 in Building N shall no longer be defined and deemed Seasonal Housing Units for purposes of the Agreement but rather shall be defined and deemed to be Owner-Occupied Units as hereinafter set forth;

2. The definition of "qualified individual" in Section 2.1 of the Agreement shall be revised as hereinafter set forth;

D. Owner and the City have agreed that the Unit numbers of the Owner-Occupied Units in the schedule of the initial sales prices for the Owner-Occupied Units in Building O shall

be amended and corrected, and a new schedule of initial sales prices for the Owner-Occupied Units in Building N shall be added to the Agreement as hereinafter set forth; and

E. Owner and the City have agreed that in order to accommodate unusual circumstances affecting an Owner of an Owner-Occupied Unit, the Owner of an Owner-Occupied Unit may seek approval from the City to rent or lease such Owner-Occupied Unit as hereinafter set forth.

F. Consequently, Owner and the City desire to amend the Agreement as hereinafter set forth.

AMENDMENT TO THE AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and the City hereby agree as follows:

1. OWNER-OCCUPIED UNITS REDEFINED. Commencing on the Effective Date of this Amendment, the ten (10) Units located in Building N of The Silver Star Plaza Condominiums and identified as Units 25-#1 through 25-#10, together with the ten (10) Units located in Building O of The Silver Star Plaza Condominiums and identified as Units 65-#2 through 65-#11 are hereby defined for purposes of the Agreement as the "Owner-Occupied Units."

2. SECTION 1 OF THE AGREEMENT DELETED. Commencing on the Effective Date of this Amendment, all of Section 1 of the Agreement, consisting of Section 1 and Subsections 1.1 through 1.10, inclusive, are hereby deleted from the Agreement.

3. SECTION 2 OF THE AGREEMENT AMENDED. Commencing on the Effective Date of this Amendment, the first paragraph in Section 2 and all of Subsections 2.1, 2.2 and 2.3 of the Agreement are hereby amended and restated in their entirety to read as follows:

2. OWNER-OCCUPIED UNITS. Except as otherwise agreed by the City and Owner by amendment to this Agreement, "Owner-Occupied Units" means the four (4) studio Units known and depicted as Units 25-#2, 25-#4, 25-#6 and 25-#8 and the six (6) two-bedroom Units known and depicted as Units 25- #1, 25-#3, 25-#5, 25-#7, 25-#9 and 25-#10 located in Building N of The Silver Star Plaza Condominiums, and also the ten (10) one-bedroom condominium Units known and depicted as Units 65-#2 through 65 -#11 in Building O at The Silver Star Plaza Condominiums, the absolute and sole purpose being that the purchasers of the Owner Occupied Units use the Owner-Occupied Units for personal occupancy. Units shall be sold to Qualified Individuals (defined below), pursuant to this Section 2.

2.1 DEFINITION. For purposes of this Section 2, "Qualified Individual" means a first time homebuyer, as defined by the US Department of Housing and Urban Development (i) who is currently employed within the boundaries of the Park City School

District for a minimum of 1,560 hours annually and who has been continuously employed within the boundaries of the Park City School District for a minimum of 1,560 hours per calendar year for the past 24 months and (ii) whose income does not exceed 150 percent of the Park City Workforce Housing Wage. A “Non-Qualified Individual” means a person (i) who is not a first time homebuyer as defined by the US Department of Housing and Urban Development, and (ii) who is employed a minimum of 1,560 hours per calendar year within Summit County.

2.2 PREFERENCE TO QUALIFIED INDIVIDUALS.

Owner shall utilize reasonable efforts to give preference to Qualified Individuals in purchasing a Unit: (i) as the Qualified Individual meets all the standard income and underwriting practices as uniformly and fairly applied to all prospective buyers and (ii) provided that giving such preference does not violate any applicable laws.

2.3 INITIAL SALES PRICE. The initial sales price for an Owner Occupied Unit shall be as follows:

Units 65-#2 to 65-#11 in Building O

UNIT NUMBER	INITIAL SALES PRICE	UNIT NUMBER	INITIAL SALES PRICE
65-#2 (formerly 101)	\$183,000	65-#4 (formerly 204)	\$158,000
65-#3 (formerly 102)	\$148,000	65-#9 (formerly 301)	\$193,000
65-#5 (formerly 201)	\$188,000	65-#11 (formerly 302)	\$178,000
65-#7 (formerly 202)	\$163,000	65-#10 (formerly 303)	\$168,000
65-#6 (formerly 203)	\$153,000	65-#8 (formerly 304)	\$173,000

Units 25-#1 to 25-#10 in Building N

UNIT NUMBER	INITIAL SALES PRICE	UNIT NUMBER	INITIAL SALES PRICE
25-#1	\$227,500	25-#6	\$125,000

UNIT NUMBER	INITIAL SALES PRICE	UNIT NUMBER	INITIAL SALES PRICE
25-#2	\$125,000	25-#7	\$227,500
25-#3	\$227,500	25-#8	\$125,000
25-#4	\$125,000	25-#9	\$227,500
25-#5	\$227,500	25-#10	\$227,500

4. ADDRESS OF OWNER. The address of the Owner for purposes of receiving notices pursuant to the Agreement, as set forth in Section 13 of the Agreement, is hereby amended and restated to be as follows:

Paladin Development Partners, L.L.C.
5885 Ridgeway Center Parkway
Suite 106
Memphis, TN 38120
Attn: George Bryan
Fax No.: (901) 761-9266

5. ADDITIONAL TERMS. The following terms are added to the Agreement as new Sections 25 and 26, which shall read as follows:

25. RENTAL OF UNITS. No Unit Owner may rent or lease his or her Unit, unless the City has approved the rental or lease in writing. No nightly rental is permitted under any circumstances. Approval may be granted by the City only in extenuating circumstances such as military duty or a mission assignment. Approval may also be granted on those rare occasions when an Owner is unable to sell his or her unit after Reasonable Effort (as hereafter defined) and more than 120 days of advertising. "Reasonable Effort" shall be defined as: advertising through the City's Housing Office, Mountainlands Community Housing Trust, Craigslist and other online resources, the local newspaper and local radio station (Park Record and KPCW) as well as Salt Lake City based resources such as KSL Online. Rental of any Unit that does not have prior approval of the City shall constitute an Event of Default, and the Unit Owner shall have 30 days to remedy the Event of Default, after which the City shall have the right to require that the Unit Owner sell the Unit to a Qualified Individual.

26. EVENTS OF DEFAULT. "Events of Default" under this Agreement shall include but not be limited to: rental of a Unit by an Owner without the prior written approval of the City or noncompliance by a Unit Owner with any element of this Agreement. If an Event of Default occurs, a Unit Owner shall have 30 days to remedy the default after which the City shall have the right to require that the Unit Owner sell the Unit to a Qualified Individual.

6. AMENDMENT TO EXHIBIT A. Exhibit A attached to the Agreement is hereby amended and restated in its entirety and is hereby replaced with the Exhibit A attached to this Amendment.

7. CAPITALIZED TERMS. Any capitalized terms not defined in this Amendment shall have the same meaning as set forth in the Agreement.

8. NO OTHER CHANGES. Except as specifically provided in this Amendment, all of the terms, conditions, agreements and provisions set forth in the Agreement remain unaffected, and they are hereby reaffirmed, ratified and approved in their entirety and shall remain in full force and effect.

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

OWNER:

PALADIN DEVELOPMENT PARTNERS, L.L.C.,
a Utah limited liability company

By: _____

George Bryan

Title: Manager

CITY:

PARK CITY MUNICIPAL CORPORATION,
a municipal corporation of the State of Utah

By: _____

Name: Dana Williams

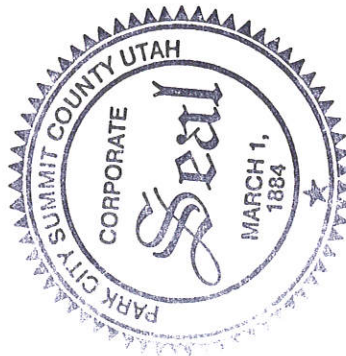
Title: Mayor

Attest:

City Recorder

Approved as to Form:

City Attorney



ACKNOWLEDGMENTS

STATE OF Tennessee)
 : ss.
COUNTY OF Shelby)

The foregoing instrument was acknowledged before me this 25th day of September, 2013, by George Bryan, in his capacity as the Manager of Paladin Development Partners, L.L.C., a Utah limited liability company.



Sylvia Houston
NOTARY PUBLIC

My Commission Expires:

September 13, 2013

My Commission Expires September 11, 2013

Residing at:

Shelby County, Tennessee

STATE OF UTAH)
 : ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 4 day of FEBRUARY, 2013, by DANA WILLIAMS, in such person's capacity as the MAYOR of Park City Municipal Corporation.



Sharon C Bauman
NOTARY PUBLIC

My Commission Expires:

07-13-2014

Residing at:

Park City Utah

EXHIBIT A

Legal Description of the Units

The following twenty (20) Units located in The Silver Star Plaza Condominiums in Park City, Summit County, Utah, according to the official Plat thereof that was recorded in the Office of the Recorder of Summit County, Utah on February 19, 2008 as Entry No. 837979.

In Building N – Unit Numbers:

25-#1, 25-#2, 25-#3, 25-#4, 25-#5, 25-#6, 25-#7, 25-#8, 25-#9, 25-#10

In Building O - Unit Numbers:

65-#2, 65-#3, 65-#4, 65-#5, 65-#6, 65-#7, 65-#8, 65-#9, 65-#10, 65-#11