



Governor's Office of Economic Development

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State of Utah

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ADDITIONAL CONDITIONS

As a condition of an allocation of Private Activity Bond Volume cap, the Issuer of Bonds shall require the owner of the related project to enter into the following covenants:

The project must meet the requirements of subparagraph (A) or (B), whichever is elected by the owner, for a period of not less than 51 years:

(A) 20-50 Test. 20 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 50 percent or less of area median gross income.

(B) 40-60 Test. 40 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 60 percent or less of area median gross income.

Project owners shall maintain records evidencing compliance with the rent and occupancy requirements set forth above, shall deliver compliance reports to the related Bond Issuer at least once each year and shall allow audits by the related Bond Issuer or by representatives of the State of Utah of its records and the related project upon request.

The provisions hereof, including terms which are not defined, shall be interpreted and construed in accordance with the rules, definitions and requirements of Section 42 of the Internal Revenue Code of 1986, as amended.