

When recorded, mail to:

City Clerk
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

FIRST AMENDMENT TO WOODSHIRE ON BUTLER, LLC DEVELOPMENT AGREEMENT

This First Amendment to Woodshire on Butler, LLC Development Agreement (“**Amendment**”) is entered into effective as of _____, 2024 (“**Amendment Date**”), by and between City of Flagstaff, a municipal corporation organized and existing under the laws of the State of Arizona (“**City**”), and Woodshire on Butler, L.L.C., an Arizona limited liability company (“**Developer**”).

RECITALS

A. City and Woodshire on Butler, LLC entered into that certain Development Agreement dated August 20, 2019, and recorded in the Official Records of Coconino County as Document No. 3850581 (the “**Original Agreement**”), The Original Agreement is referred to herein as the “**Agreement**”. Unless otherwise defined in this Amendment, initially capitalized terms used herein have the meanings given them in the Agreement.

B. The parties desire to amend the Agreement on the terms and conditions more fully set forth below, which amendment is made pursuant to Section 6.7 of the Agreement.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Affordable Housing. Section 4.3.1 of the Agreement, is hereby deleted and replaced with the following:

4.3.1 The Developer’s Obligations. Developer agrees to provide a minimum of five (5) permanently affordable ownership units. The affordable ownership units will be deed-restricted, utilizing deed restrictions approved by the City, to secure permanent affordability and must be sold to households earning up to no more than ~~100~~125% of the Area Median Income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD) or its successor. Developer must finance the costs of construction for the affordable housing units, which shall be comparable in construction quality and exterior design to the market rate units within the development. Developer will work with the City to ensure that the affordable units are dispersed throughout the Project. Each

unit shall be priced ~~a minimum of 20% less than the fair market value per square foot of comparable units, at the current base sales price of \$368,000. with~~ Qualifying buyers shall spending no more than 30% of monthly income on mortgage payments without approval by the Housing Director of the City of Flagstaff or designee. The five units shall be two-bedroom units. The units shall be constructed and offered for sale within five (5) years from the date the property is sold, with two (2) one-year extensions available as requested in writing by the Developer.

1. Miscellaneous. Except as stated herein, the Agreement shall remain in full force and effect and is hereby ratified and approved. If there is any inconsistency between the terms of the Agreement and the terms of this Amendment, the provisions of this Amendment will govern and control the rights and obligations of the parties. This Amendment may be signed in counterparts.
2. Conflict of Interest. This Amendment and the Development Agreement may be cancelled by the City pursuant to A.R.S. § 38-511.

[Balance of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, City and Owner have executed this Amendment as of the date first set forth above.

“City”

City of Flagstaff, an Arizona municipal corporation

Becky Daggett, Mayor

Attest:

City Clerk

Approved as to form:

City Attorney

“Developer”

Woodshire on Butler, L.L.C., an Arizona limited liability company

By: Woodshire on Butler, LLC, an Arizona limited liability company
Its: Manager

By: _____
Phil Petersen
Its: Manager

STATE OF ARIZONA)
COUNTY OF COCONINO)

ACKNOWLEDGMENT

On this _____ day of _____, 2024, before me, a Notary Public, personally appeared Becky Daggett, Mayor of the City Flagstaff, known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that she executed the same on behalf of the City of Flagstaff, for the purposes therein contained.

Notary Public
My Commission Expires:_____

STATE OF ARIZONA)
COUNTY OF MARICOPA)

ACKNOWLEDGMENT

On this _____ day of _____, 2024, before me, a Notary Public, personally appeared Phil Petersen., known to me to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of Woodshire on Butler, LLC an Arizona limited liability company, for the purposes therein contained.

Notary Public
My Commission Expires:_____