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Book - 10683 Pg - 304-308
ADAM GARDINER
Recorder, Salt Lake County, UT
BAY NATIONAL TITLE COMPANY
BY: eCASH, DEPUTY - EF 5 P.

WHEN RECORDED RETURN TO:

Broadmark Real Estate Management II, LLC
1420 5th Avenue Suite 2000
Seattle, WA 98101

[This Space Provided For Recorders Use]

Document Title: Subordination Agreement
Reference Number(s) of Document Assigned or Released: 12498395
Grantor(s): David W Steffensen, Successor Trustee of the Robert G. Steffensen Trust
FBO David W. Steffensen, Dated 10/4/17 and Millcreek Cove Apartments,
LLC, a Utah limited liability company
Grantee: BRELF II, LLC, a Washington limited liability company
Property Tax Parcel/Account Number(s): 16-31-378-018

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

The undersigned Subordinator and Owner agree as follows:

1. David W Steffensen, Successor Trustee of the Robert G. Steffensen Trust FBO David W. Steffensen, Dated 10/4/17, ("**Subordinator**"), is the beneficiary on a Deed of Trust dated March 20, 2017 and recorded on March 20, 2017 under Salt Lake County Auditor's File No. 12498395. Said Deed of Trust encumbers the Real property in the County of Salt Lake, State of Utah, described as follows:

A consolidated parcel of land being those three (3) entire tracts located in a portion of Lots 8 and 9, Block 7, Ten Acre Plat "A" Big Field Survey being in the Southwest Quarter of Section 31, Township 1 South, Range 1 East, Salt Lake Base and Meridian. Said entire tracts were conveyed to B.D.B. and Associates, L.L.C. per that Warranty Deed (16-31-378-009) recorded February 18, 2016 as Entry No. 12224787 in Book 10404, at Page 16 in the Office of the Salt Lake County Recorder and that Warranty Deed, known as parcel 1 and 2 (16-31-378-010 and 16-31-378-011) recorded October 13, 2016 as Entry No. 12149882 in Book 10369, at Page 6915 in the Office of said Recorder and also shown on those certain Records of Survey filed as No's. S2016-02-0228 and S2016-05-0472 in the Office of the Salt Lake County Surveyor. The boundary of said consolidated parcel of land is described as follows:

Beginning at the Northwest Corner of said Lot 9, which is 574.15 feet S. 00°01'11" W. (Record = South) from the Northwest corner of Lot 9; thence N.00°01 '11" E. (Record = North) 105.00 feet along the westerly boundary lines of said entire tracts to the northwesterly corner of parcel 16-31-378-009; thence S. 89°57'16" E. (Record= East) 379.38 feet along the northerly boundary line to the northeasterly corner of said parcel 16-31-378-009; thence S. 00°10'31" W. (Record = South) 105.00 feet along the easterly boundary lines of said entire tracts to the southeasterly corner of parcel 16-32-378-010; thence S. 89°58'00" W. (Record= West) 123.64 feet along the southerly boundary line of said parcel to the northeasterly corner of parcel 16-31-378-011; thence along the easterly, southerly and westerly boundary lines of said parcel 16-31-378-011 the following five (5) courses: 1) S. 00°30'42" W. (Record= South 56.25 feet) 55.90 feet; 2) N. 89°59'46" W. (Record= 22.73 feet) 22.00 feet; 3) S. 00°00'14" W. (Record= S. 00°01'01" W.) 1.50 feet; 4) N. 89°59'46" W. (Record = N. 89°58'59" W.) 232.99 feet; 5) N. 00°01 '11" E. (Record = North) 57.75 feet to the Point Of Beginning.

PHYSICAL ADDRESS: 3965 S 300 E, Salt Lake City, UT 84107

ASSESSOR'S TAX PARCEL NO.: 16-31-378-018

2. The Deed of Trust recorded under Salt Lake County Auditor's File No. 12498395 is referred to herein as the "**Subordinated Deed of Trust.**"

3. BRELF II, LLC, a Washington limited liability company ("**Lender**") the beneficiary on a Deed of Trust dated August 31, 2010, which is recorded under Salt Lake County Auditor's File No. 12356763 (the "**Benefited Deed of Trust**"). The Benefited Deed of Trust secures a Promissory Note in the original principal amount of \$800,000.00 and now amended to Five Million Sixty-Five Thousand Dollars (\$5,065,000.00).

4. The Grantor on the Benefited Deed of Trust is Millcreek Cove Apartments, LLC, a Utah limited liability company ("**Owner**"). Owner is also the Grantor under the Subordinated Deed of Trust. Owner is the fee simple owner of all the real property (the "**Property**") described in the Benefited Deed of Trust and the Subordinated Deed of Trust, which are legally described above.

5. In consideration of benefits to Subordinator from Owner, including Owners' agreement to pay interest and other consideration under the loan secured by the Subordinated Deed of Trust, the receipt and sufficiency of which is hereby acknowledged, and to induce Lender to agree to make its loan to Owner, Subordinator does hereby unconditionally subordinate the lien of the Subordinated Deed of Trust, and both of them, to the lien of the Benefited Deed of Trust, including all advances or charges made or accruing under the Benefited Deed of Trust, including any extensions, renewal or additional advances thereof. Without limitation, the subordination hereunder includes Subordinator's rights to insurance proceeds, condemnation proceeds, assignment of rents and leases, rights under any guaranty by principals of Owner, and all other rights, privileges, powers and assignments whatsoever contained in the Subordinated Deed of Trust, loan documents between Owner (or its predecessor) and/or Owner's principal, or otherwise allowed to Subordinator by contract or by law.

6. Subordinator acknowledges that, prior to the execution hereof, it has had the opportunity to examine the terms of the Benefited Deed of Trust, the Promissory Note and other loan documents secured thereby or related thereto, and consents to and approves the same, and recognizes that Lender has no obligation to Subordinator to advance any funds under the Benefited Deed of Trust, or see that Lender's loan is applied in any particular manner, including to benefit the Property. Owner's use of funds advanced by Lender for purposes other than those provided for in the Benefited Deed of Trust and the loan documents secured thereby shall not defeat the subordination herein made in whole or in part. Subordinator acknowledges and agrees that Lender would not make the loan to Owner except for the Subordination hereunder. Subordinator agrees that it is forever estopped from asserting a right to any proceeds from the Property until such time as all principal, interest, default interest, late charges and other sums owed to Lender have been paid in full.

7. Notwithstanding any provision herein or in any of the Subordinator's loan documents to the contrary, Subordinator shall request of the trustee of the Subordinated Deed of Trust to fully reconvey the lien of the Subordinated Deed of Trust, or either one of them, upon receipt of (a) written request by Lender, or its successor; (b) documentation sufficient to show an event of sale or refinance prompting the removal of such lien; and (c) information regarding sale or refinance. Subordinator acknowledges that any payment to Subordinator shall be conditioned solely upon all of the net sale proceeds from the sale of the Property or net proceeds from refinance, after reasonable and customary costs of sale, being applied to reduce in full or in part the obligation of Owner or its predecessor to Lender. The obligation of Subordinator hereunder shall survive any default by any obligor under Subordinator's loan documents.

8. It is understood by the parties hereto that Lender would not make its loan to Owner without the subordination of Subordinator hereunder.

9. This agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the Subordinated Deed of Trust to the Benefited Deed of Trust and shall supersede and cancel any prior agreements, oral or written, between the parties.

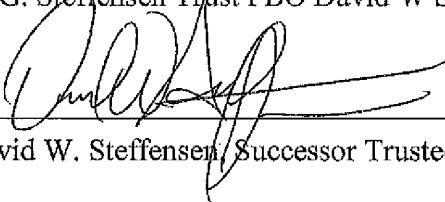
10. The heirs, administrators, assigns and successors in interest of the Subordinator and Owner shall be bound by this agreement.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER UTAH LAW.

[Signatures on Following Pages]

SUBORDINATOR:

Robert G. Steffensen Trust FBO David W Steffensen, Dated 10/4/17

By: 
David W. Steffensen, Successor Trustee

STATE OF Utah }
COUNTY OF Salt Lake } §

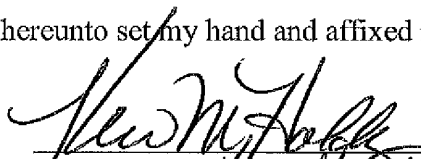
I certify that I know or have satisfactory evidence that David W Steffensen, Successor Trustee of the Robert G. Steffensen Trust FBO David W. Steffensen, Dated 10/4/17 is the person who acknowledged that he signed this instrument and on oath stated that he was authorized to execute the instrument and acknowledged it to be his free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 5, 2018

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

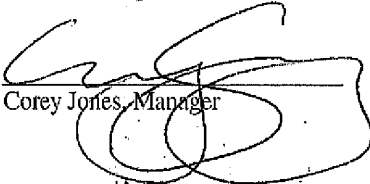
(SEAL/STAMP)




Print Name: Kari M. Holding
NOTARY PUBLIC in and for the State of Utah, residing at: Salt Lake
My appointment expires: 4/14/19

OWNER:

Millcreek Cove Apartments, LLC, a Utah limited liability company

By: 
Corey Jones, Manager

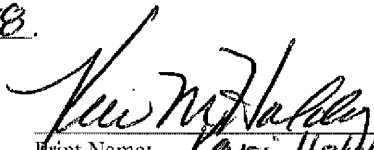
STATE OF Utah)
COUNTY OF Salt Lake) §

I certify that I know or have satisfactory evidence that Corey Jones is the person who acknowledged that he signed this instrument and on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of Millcreek Cove Apartments, LLC, a Utah limited liability company, to be his free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 1, 2018

(SEAL/STAMP)




Print Name: Kari Holding
NOTARY PUBLIC in and for the state of Utah residing in Salt Lake
My appointment expires 4/14/19