

WHEN RECORDED MAIL TO:

Zions Bancorporation, N.A.
dba Zions First National Bank
Enterprise Loan Operations - UT RDWG 1970
PO Box 25007
Salt Lake City, UT 84125-0007

File No.: 116413-DMY

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11/8/2019 1:59:00 PM \$40.00
Book - 10857 Pg - 7831-7848
RASHELLE HOBBS
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 18 P.

**SUBORDINATION AND INTERCREDITOR AGREEMENT
(Olene Walker Housing Loan Fund)**

In Reference to Tax ID Number(s):

15-01-151-019

Transaction No. ZFN-3181996

WHEN RECORDED, RETURN TO:

Zions Bancorporation, N.A.
dba Zions First National Bank
Enterprise Loan Operations-UT RDWG 1970
PO Box 25007
Salt Lake City, UT 84125-0007

**SUBORDINATION AND INTERCREDITOR AGREEMENT
(Olene Walker Housing Loan Fund)**

THIS SUBORDINATION AND INTERCREDITOR AGREEMENT (this “Agreement”) dated as of November 7th, 2019 (the “Closing Date”), is made by and between the Olene Walker Housing Loan Fund (“Junior Lender”), and Zions Bancorporation, N.A., dba Zions First National Bank (“Senior Lender”).

RECITALS:

A. Central Station Apartments, LLC, a Utah limited liability company (“Borrower”), has applied to Senior Lender for a construction and term loan in the maximum principal amount of Twelve Million Four Hundred Thirty-Five Thousand Dollars (\$12,435,000.00) (the “Senior Loan”) for the acquisition, construction, rehabilitation, development, equipping and/or operation of the Property (as defined herein).

B. The Senior Loan is evidenced by the Senior Note (as defined herein) and is secured by, among other things, the Senior Security Instrument (as defined herein), encumbering the Property, and will be advanced to Borrower pursuant to the Loan Agreement (as defined herein).

C. Junior Lender is making a loan (the “Junior Loan”) to Borrower in the original principal amount of Eight Hundred Thirty-Eight Thousand Dollars (\$838,000.00), which Junior Loan is evidenced by a certain note dated November 7th, 2019, made by Borrower to Junior Lender (the “Junior Note”) and secured by, the Junior Security Instrument (as defined herein) encumbering the Property, and will be advanced to Borrower pursuant to that certain Trust Deed Note (the “Junior Note”) dated November 7th, 2019, between Borrower and Junior Lender.

D. As a condition to the making of the Senior Loan, Senior Lender requires that Junior Lender execute and deliver this Agreement prior to the making of the Junior Loan and the granting of the Junior Security Instrument by Borrower.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce the making of the Senior Loan and to induce

4818-5010-1661.v7

Senior Lender to consent to the Junior Loan and the Junior Security Instrument, Junior Lender hereby agrees as follows:

1. **Definitions.** Capitalized terms used but not defined in this Agreement shall have the meanings ascribed thereto in the Senior Security Instrument. As used in this Agreement, the terms set forth below shall have the respective meanings indicated:

“Bankruptcy Proceeding” means any bankruptcy, reorganization, insolvency, composition, restructuring, dissolution, liquidation, receivership, assignment for the benefit of creditors, or custodianship action or proceeding under any federal or state law with respect to Borrower, any guarantor of any of the Senior Indebtedness, any of their respective properties, or any of their respective partners, members, officers, directors, or shareholders.

“Batt Guaranty” means that certain Joint and Several Carve-Out Guaranty executed by Gardner Batt Capital, LLC, a Utah limited liability company, in favor of Junior Lender in connection with the Junior Loan.

“Casualty” means the occurrence of damage to or loss of any of the Property by fire or other casualty.

“Condemnation” means any proposed or actual condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Property, whether direct or indirect.

“Enforcement Action” means the acceleration of all or any part of the Junior Indebtedness the advertising of or commencement of any foreclosure or trustee’s sale proceedings, the exercise of any power of sale, the acceptance of a deed or assignment in lieu of foreclosure or sale, the collecting of Rents, the obtaining of or seeking of the appointment of a receiver, the seeking of default interest, the taking of possession or control of any of the Property, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Junior Note or any other of the Junior Loan Documents (excepting any deed restriction executed by Borrower in favor of Junior Lender on or before the Closing Date), the exercising of any banker’s lien or rights of set-off or recoupment, or the taking of any other enforcement action against Borrower, any other party liable for any of the Junior Indebtedness or obligated under any of the Junior Loan Documents, or the Property.

“Enforcement Action Notice” means a written notice from Junior Lender to Senior Lender, given following a Junior Loan Default and the expiration of any notice or cure periods provided for such Junior Loan Default in the Junior Loan Documents, setting forth in reasonable detail the Enforcement Action proposed to be taken by Junior Lender.

“Junior Indebtedness” means all indebtedness of any kind at any time evidenced or secured by, or arising under, the Junior Loan Documents, whether incurred, arising or accruing before or after the filing of any Bankruptcy Proceeding,

“*Junior Loan Default*” means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of notice or the passage of time, or both, would constitute, an “Event of Default” as defined in the Junior Security Instrument or Junior Note.

“*Junior Loan Documents*” means, collectively (and excepting any deed restriction executed by Borrower in favor of Junior Lender on or before the Closing Date), the Junior Note, the Junior Security Instrument, and all other documents evidencing, securing or delivered in connection with the Junior Loan, together with such modifications, amendments and supplements thereto as are approved in writing by Senior Lender prior to their execution.

“*Junior Security Instrument*” means that certain subordinate Trust Deed with Assignment of Rents dated November 7th, 2019, made by Borrower for the benefit of Junior Lender, and which is to be recorded in the office of the County Recorder of Salt Lake County, State of Utah, concurrently herewith, as the same may from time to time be extended, consolidated, substituted for, modified, amended or supplemented upon receipt of the prior written consent of Senior Lender.

“*Loan Agreement*” means that certain Construction and Term Loan Agreement dated as of the Closing Date by and between Borrower and Senior Lender relating to the Senior Loan.

“*Loss Proceeds*” means all monies received or to be received under any insurance policy, from any condemning authority, or from any other source, as a result of any Condemnation or Casualty.

“*Property*” means (i) the land and improvements known or to be known as the Central Station Apartments, located in Salt Lake County, State of Utah, which Property is more particularly described on Exhibit A attached hereto, and (ii) all furniture, fixtures and equipment located at such apartments and other property, accounts, deposits and rights and interests of Borrower encumbered by the Senior Security Instrument and/or the other Senior Loan Documents.

“*Senior Indebtedness*” means all indebtedness of any kind at any time evidenced or secured by, or arising under, the Senior Loan Documents, whether incurred, arising or accruing before or after the filing of any Bankruptcy Proceeding.

“*Senior Loan Default*” means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of notice or the passage of time, or both, would constitute, an “Event of Default” as defined in the Senior Loan Documents.

“*Senior Loan Documents*” means, collectively, the Senior Security Instrument, the Senior Note, the Loan Agreement and all of the other documents, instruments and agreements now or hereafter evidencing, securing or otherwise executed in connection with the Senior Loan, as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented (with the prior written consent of Junior Lender) in accordance with the provisions of this Agreement.

“*Senior Note*” means the Note, as defined by the Senior Security Instrument, as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented (with the prior written consent of Junior Lender).

“*Senior Security Instrument*” means that certain Construction and Term Loan Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing dated as of the Closing Date, made by Borrower for the benefit of Senior Lender, as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented (with the prior written consent of Junior Lender), which encumbers the Property as a first lien.

2. Junior Loan and Junior Loan Documents are Subordinate; Acts by Senior Lender do not Affect Subordination.

(a) Junior Lender hereby covenants and agrees on behalf of itself and its successors and permitted assigns that the Junior Indebtedness is and shall at all times continue to be, subordinate, subject and inferior (in payment and priority) to the prior payment in full of the Senior Indebtedness; and that the liens, rights, payment interests, priority interests and security interests granted to Junior Lender in connection with the Junior Loan and under the Junior Loan Documents are, and are hereby expressly acknowledged to be in all respects and at all times, subject, subordinate and inferior in all respects to the liens, rights, payment, priority and security interests granted to Senior Lender under the Senior Loan and the Senior Loan Documents and the terms, covenants, conditions, operations and effects thereof. Notwithstanding the foregoing or any other language contained in this Agreement, Senior Lender acknowledges and agrees that any deed restriction executed by Borrower in favor of Junior Lender on or about the Closing Date is senior and superior to the Senior Loan Documents and will survive any foreclosure of the Senior Security Instrument.

(b) Except as expressly set forth herein, repayment of the Junior Indebtedness, except for any payment received by Junior Lender under the Batt Guaranty, is and shall be postponed and subordinated to repayment in full of the Senior Loan. If (i) Junior Lender receives any payment, property, or asset of any kind or in any form on account of the Junior Indebtedness other than payment under the Batt Guaranty (including, without limitation, any proceeds from any Enforcement Action) after a Senior Loan Default of which Junior Lender has actual knowledge or has been given notice, or (ii) Junior Lender receives, voluntarily or involuntarily, by operation of law or otherwise, any payment (other than any payment under the Batt Guaranty), property, or asset in or in connection with any Bankruptcy Proceeding, such payment, property, or asset will be received and held in trust for Senior Lender. Junior Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets to Senior Lender. Senior Lender shall apply any payment, asset, or property so received from Junior Lender to the Senior Indebtedness in such order, amount (with respect to any asset or property other than immediately available funds), and manner as Senior Lender shall determine in its sole and absolute discretion. Notwithstanding any language contained in this Agreement,

including, without limitation, any language contained in this Section 2, Senior Lender shall have no right to receive any payment made to Junior Lender under the Batt Guaranty.

(c) Without limiting the complete subordination of the Junior Indebtedness to the payment in full of the Senior Indebtedness, in any Bankruptcy Proceeding, upon any payment or distribution (whether in cash, property, securities, or otherwise) to creditors (i) the Senior Indebtedness shall first be paid in full in cash before Junior Lender shall be entitled to receive any payment or other distribution on account of or in respect of the Junior Indebtedness, and (ii) until all of the Senior Indebtedness is paid in full in cash, any payment or distribution to which Junior Lender would be entitled but for this Agreement (whether in cash, property, or other assets) shall be made to Senior Lender.

(d) Senior Lender shall not agree with Borrower to extend, consolidate, modify, increase or amend any or all of the Senior Loan Documents without the prior written consent or approval of Junior Lender, which consent shall not be unreasonably withheld, conditioned or delay. Senior Lender, however, may act or fail to act with respect to any matter set forth in any Senior Loan Document (including, without limitation, the exercise of any rights or remedies, waiver, forbearance or delay in enforcing any rights or remedies, the declaration of acceleration, the declaration of defaults or events of default, the release, in whole or in part, of any collateral or other property, and any consent, approval or waiver) without the prior written consent of Junior Lender and such action or inaction shall not release, impair or otherwise affect Junior Lender's obligations and agreements hereunder.

(e) Senior Lender, in permitting disbursements of the proceeds of the Senior Loan pursuant to the Loan Agreement, is under no obligation or duty to ensure, nor has Senior Lender represented that it will ensure, the proper application of such proceeds, and any application or use of such proceeds for purposes other than as provided in any such agreement shall not defeat or render invalid, in whole or in part, the subordination provided for in this Agreement.

(f) Senior Lender has not made any warranty or representation of any kind or nature whatsoever to Junior Lender with respect to (i) the application of the proceeds of any disbursement made by Senior Lender for the account of Borrower, (ii) the value of the Property, or the improvements to be constructed thereon, or the marketability or value thereof upon completion of such construction, or (iii) the ability of Borrower to honor its covenants and agreements with Senior Lender or Junior Lender.

(g) Senior Lender acknowledges and agrees that the conversion of the Senior Loan from a construction loan to an amortizing term loan is conditioned on the Senior Loan being paid down and reduced to no greater than Three Million Seven Hundred Thousand Dollars (\$3,700,000.00).

3. **Junior Lender Agreements.**

(a) Without the prior written consent of Senior Lender in each instance, Junior Lender shall not (i) amend, modify, waive, extend, renew or replace any provision of any of the Junior Loan Documents, or (ii) pledge, assign, transfer, convey, or sell any interest in the Junior Indebtedness or any of the Junior Loan Documents; or (iii) accept any payment on account of the Junior Indebtedness other than a regularly scheduled payment of interest or principal and interest made not earlier than ten (10) days prior to the due date thereof; or (iv) take any action which has the effect of increasing the Junior Indebtedness; or (v) appear in, defend or bring any action in connection with the Property (excepting any action arising out of a deed restriction executed by Borrower in favor of Junior Lender on or about the Closing Date); or (vi) take any action concerning environmental matters affecting the Property.

(b) Senior Lender shall have all approval, consent and oversight rights in connection with any insurance claims relating to the Property, any decisions regarding the use of insurance proceeds after a casualty loss or condemnation awards, the hiring or firing of property managers, and Junior Lender shall have no right to object to any such action or approval taken by Senior Lender and shall consent thereto and be bound thereby.

(c) Junior Lender shall not commence any Bankruptcy Proceeding involving Borrower, and Junior Lender shall not initiate any action, in a Bankruptcy Proceeding involving any other person or entity, which seeks the consolidation of some or all of the assets of Borrower into such Bankruptcy Proceeding. In the event of any Bankruptcy Proceeding relating to Borrower or the Property or, in the event of any Bankruptcy Proceeding relating to any other person or entity into which (notwithstanding the covenant in the first sentence of this clause) the assets or interests of Borrower are consolidated, then in either event, the Senior Loan shall first be paid in full before Junior Lender shall be entitled to receive and retain any payment or distribution in respect to the Junior Loan. Junior Lender agrees that (i) Senior Lender shall receive all payments and distributions of every kind or character in respect of the Junior Loan to which Junior Lender would otherwise be entitled, but for the subordination provisions of this Agreement (including without limitation, any payments or distributions during the pendency of a Bankruptcy Proceeding involving Borrower or the Property), and (ii) the subordination of the Junior Loan and the Junior Loan Documents shall not be affected in any way by Senior Lender electing, under Section 1111(b) of the federal bankruptcy code, to have its claim treated as being a fully secured claim.

(d) Junior Lender covenants and agrees that the effectiveness of this Agreement and the rights of Senior Lender hereunder shall be in no way impaired, affected, diminished or released by any renewal or extension of the time of payment of the Senior Loan, by any delay, forbearance, failure, neglect or refusal of Senior Lender in enforcing payment thereof or in enforcing the lien of or attempting to realize upon the

Senior Loan Documents or any other security which may have been given or may hereafter be given for the Senior Loan, by any waiver or failure to exercise any right or remedy under the Senior Loan Documents, or by any other act or failure to act by Senior Lender. Junior Lender acknowledges that Senior Lender, at its sole option, may release all or any portion of the Property from the lien of the Senior Security Instrument, and may release or waive any guaranty, surety or indemnity providing additional collateral to Senior Lender, and Junior Lender hereby waives any legal or equitable right in respect of marshaling it might have, in connection with any release of all or any portion of the Property by Senior Lender, to require the separate sales of any portion of the Property or to require Senior Lender to exhaust its remedies against any portion of the Property or any other collateral before proceeding against any other portion of the Property or other collateral (including guarantees) for the Senior Loan. At any time or from time to time and any number of times, with at least thirty (30) days prior written notice to Junior Lender and without affecting the liability of Junior Lender, the maturity of the Senior Indebtedness may be accelerated as provided in the Senior Loan Documents. At any time or from time to time and any number of times, without notice to Junior Lender and without affecting the liability of Junior Lender, (a) the time for payment of the Senior Indebtedness may be extended or the Senior Indebtedness may be renewed (but not increased) in whole or in part; (b) the time for Borrower's performance of or compliance with any covenant or agreement contained in the Senior Loan Documents, whether presently existing or hereinafter entered into, may be extended or such performance or compliance may be waived; (c) any Senior Loan Document may be modified or amended (but not increased) by Senior Lender and Borrower in any respect; and (d) any security for the Senior Indebtedness may be modified, exchanged, surrendered or otherwise dealt with or additional security may be pledged or mortgaged for the Senior Indebtedness. If, after the occurrence of a Senior Loan Default, Senior Lender acquires title to any of the Property pursuant to a mortgage foreclosure conducted in accordance with applicable law, the lien, operation, and effect of the Junior Security Instrument and other Junior Loan Documents (excepting any deed restriction executed by Borrower in favor of Junior Lender on or about the Closing Date) automatically shall terminate with respect to such Property upon Senior Lender's acquisition of title. Any right that Junior Lender has to enforce any such deed restriction against Borrower, its successors or assigns, shall survive and remain in effect following the entry or enforcement of foreclosure by Senior Lender.

4. Standstill Agreement; Right to Cure Senior Loan Default.

(a) Until such time as any of the Senior Indebtedness has been repaid in full and the Senior Security Instrument has been released and discharged, Junior Lender shall not without the prior written consent of Senior Lender, which may be withheld in Senior Lender's sole and absolute discretion, (i) accelerate the Junior Loan, (ii) exercise any of Junior Lender's remedies under the Junior Security Instrument or any of the other Junior Loan Documents (including, without limitation, the commencement of any judicial or non-judicial action of proceeding (a) to enforce any obligation of Borrower under any of

the Junior Loan Documents (excepting any deed restriction executed by Borrower in favor of Junior Lender on or about the Closing Date), (b) to collect any monies payable to Borrower, (c) to have a receiver appointed to collect any monies payable to Borrower; or (d) to foreclose the lien(s) created by the Junior Security Instrument) or (iii) file any involuntary Bankruptcy Proceeding against Borrower or any person or entity which owns a direct or indirect interest in Borrower; provided, however, that such limitation on the remedies of Junior Lender shall not derogate or otherwise limit Junior Lender's rights, following an event of default under the Junior Loan Documents to (a) compute interest on all amounts due and payable under the Junior Loan at the default rate described in the Junior Loan Documents, (b) compute prepayment premiums and late charges, and (c) enforce against any person, other than Borrower and any guarantors or indemnitors under the Senior Loan Documents, any guaranty of the obligations of Borrower under the Junior Loan.

(b) Senior Lender shall, simultaneously with the sending of any notice of a Senior Loan Default to Borrower, send to Junior Lender a copy of said notice under the Senior Loan Documents; provided, however, failure to do so shall not affect the validity of such notice or any obligation of Borrower to Senior Lender and shall not affect the relative priorities between the Senior Loan and the Junior Loan as set forth herein. Borrower covenants and agrees to forward to Junior Lender, within three (3) business days of Borrower's receipt thereof, a copy of any notice of a Senior Loan Default Borrower receives from Senior Lender.

(c) Senior Lender agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "Foreclosure Remedy") unless Junior Lender has first been given thirty (30) days written notice of the event(s) of default giving Senior Lender the right to complete such Foreclosure Remedy, and unless Junior Lender has failed, within such thirty (30) day period, to cure such event(s) of default; provided, however, that Senior Lender shall be entitled during such thirty (30) day period to continue to pursue all of its rights and remedies under the Senior Loan Documents, including, but not limited to, acceleration of the Senior Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Senior Lender has accelerated the Senior Loan and Junior Lender cures all events of default giving rise to such acceleration within the thirty (30) day cure period described above, such cure shall have the effect of de-accelerating the Senior Loan; provided, however, that such de-acceleration shall not waive or limit any of Senior Lender's rights to accelerate the Senior Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing events of default. It is the express intent of the parties hereunder that Senior Lender shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Junior Lender for failure

to provide timely notice to Junior Lender required hereunder, and that Senior Lender's liability hereunder shall be expressly limited to actual and consequential damages to Junior Lender directly caused by Senior Lender's completion of a Foreclosure Remedy without Junior Lender receiving the notice and opportunity to cure described above.

(d) Junior Lender shall not be subrogated to the rights of Senior Lender under the Senior Loan Documents by reason of Junior Lender having cured any Senior Loan Default. However, Senior Lender acknowledges that, to the extent so provided in the Junior Loan Documents, amounts advanced or expended by Junior Lender to cure a Senior Loan Default may be added to and become a part of the Junior Indebtedness.

5. **Insurance.** Junior Lender agrees that all original policies of insurance required pursuant to the Senior Security Instrument shall be held by Senior Lender. The preceding sentence shall not preclude Junior Lender from requiring that it be named as a loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Property, provided such action does not affect the priority of payment of the proceeds of property damage insurance under the Senior Security Instrument, or that it be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Property.

6. **Default.** Junior Lender and Borrower acknowledge and agree that a default by either such party under this Agreement shall, at the sole option of Senior Lender, constitute a default under the Senior Loan Documents. Each party hereto acknowledges that in the event any party fails to comply with its obligations hereunder, the other parties shall have all rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief. No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder.

7. **Intentionally Deleted.**

8. **Notices.** Any notice which any party hereto may be required or may desire to give hereunder shall be deemed to have been given and shall be effective only if it is in writing and (i) delivered personally, (ii) mailed, postage prepaid, by United State registered or certified mail, return receipts requested, (iii) delivered by overnight express courier or (iv) sent by telecopier, in each instance addressed as follows:

To Junior Lender: Olene Walker Housing Loan Fund
 324 South State Street, Suite 500
 Salt Lake City, Utah 84114-9302
 Attn: Jonathan D. Hardy

If to Senior Lender: Zions First National Bank
 Real Estate Banking Group

One South Main Street, Suite 400
Salt Lake City, Utah 84133
Attn: Wendy Leonelli

With copies to: Kirton McConkie
50 East South Temple, Suite 400
Salt Lake City, Utah 84111
Attn: John B. Lindsay

Or at such other addresses or to the attention of such other persons as may from time to time be designated by the party to be addressed by written notice to the other in the manner herein provided. Notices, demands and requests given in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder when received or when delivery is refused or when the same are returned to sender for failure to be called for.

9. Intentionally Deleted.

10. **Term.** The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Junior Loan Documents, other than by reason of payments which Junior Lender is obligated to remit to Senior Lender pursuant to the terms hereof; (iii) the acquisition by Senior Lender of title to the Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Senior Security Instrument; or (iv) the acquisition by Junior Lender of title to the Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Junior Security Instrument, but only if such acquisition of title does not violate any of the terms of this Agreement.

11. Miscellaneous.

(a) Junior Lender shall, within ten (10) business days following a request from Senior Lender, provide Senior Lender with a written statement setting forth the then current outstanding principal balance of the Junior Loan, the aggregate accrued and unpaid interest under the Junior Loan, and stating whether, to the knowledge of Junior Lender, any default or event of default exists under the Junior Loan, and containing such other information with respect to the Junior Indebtedness as Senior Lender may reasonably require.

(b) This Agreement shall bind and inure to the benefit of all successors and assigns of Junior Lender and Senior Lender. Senior Lender may assign its interest in the Senior Loan Documents without notice to or consent of Junior Lender. Junior Lender may only assign its rights and interests hereunder following the prior written consent of

Senior Lender, which consent may be withheld or conditioned in its sole and absolute discretion.

(c) Senior Lender hereby consents to the Junior Loan and the Junior Loan Documents; provided, however, that this Agreement does not constitute an approval by Senior Lender of the terms of the Junior Loan Documents. Junior Lender hereby consents to the Senior Loan and the Senior Loan Documents; provided, however, that this Agreement does not constitute an approval by Junior Lender of the terms of the Senior Loan Documents.

(d) This Agreement may be executed in counterpart originals, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same instrument.

(e) IN ALL RESPECTS, INCLUDING, WITHOUT LIMITATION, MATTERS OF CONSTRUCTION AND PERFORMANCE OF THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER, THIS AGREEMENT HAS BEEN ENTERED INTO AND DELIVERED IN, AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY, THE LAWS OF THE STATE OF UTAH, WITHOUT GIVING EFFECT TO ANY PRINCIPLES OF CONFLICTS OF LAW.

(f) Time is of the essence in the performance of every covenant and agreement contained in this Agreement.

(g) If any provision or remedy set forth in this Agreement for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or remedy of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or remedy had never been set forth herein, but only to the extent of such invalidity, illegality or unenforceability.

(h) Each party hereto hereby represents and warrants that this Agreement has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding agreement enforceable in all material respects in accordance with its terms.

(i) No amendment, supplement, modification, waiver or termination of this Agreement shall be effective against any party unless such amendment, supplement, modification, waiver or termination is contained in a writing signed by such party.

(j) No party other than Senior Lender and Junior Lender shall have any rights under, or be deemed a beneficiary of any of the provisions of, this Agreement.

(k) Nothing herein or in any of the Senior Loan Documents or Junior Loan Documents shall be deemed to constitute Senior Lender as a joint venturer or partner of Junior Lender.

12. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

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

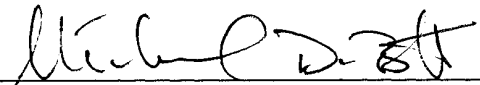
ACKNOWLEDGED AND AGREED AS OF THE DATE FIRST SET FORTH ABOVE:

BORROWER:

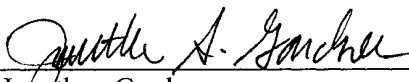
CENTRAL STATION APARTMENTS, LLC,
a Utah limited liability company

By: GBR Housing III, LLC,
a Utah limited liability company,
Manager of Central Station Apartments, LLC

By: Batt-Gardner Management, LLC,
a Utah limited liability company,
Manager of GBR Housing III, LLC

By: 

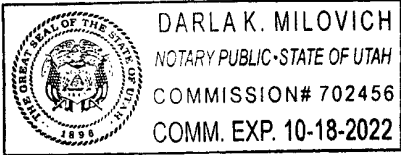
Michael D. Batt,
Manager of Batt-Gardner Management, LLC

By: 

Jonathan Gardner,
Manager of Batt-Gardner Management, LLC

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

The foregoing instrument was acknowledged before me this 7 day of November, 2019, by Michael D. Batt, Manager of Batt-Gardner Management, LLC, a Utah limited liability company, Manager of GBR Housing III, LLC, a Utah limited liability company, Manager of Central Station Apartments LLC, a Utah limited liability company.

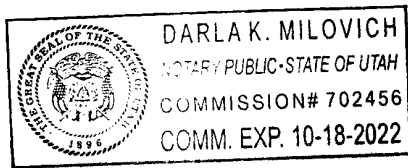





NOTARY PUBLIC
Residing at: Salt Lake County, UT

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

The foregoing instrument was acknowledged before me this 7 day of November, 2019, by Jonathan Gardner, Manager of Batt-Gardner Management, LLC, a Utah limited liability company, Manager of GBR Housing III, LLC, a Utah limited liability company, Manager of Central Station Apartments LLC, a Utah limited liability company.





NOTARY PUBLIC
Residing at: Salt Lake County, UT

EXHIBIT A

LEGAL DESCRIPTION

The real property located in Salt Lake County, State of Utah, and more particularly described as follows:

PARCEL 1:

Commencing 12 rods East from the Northwest corner of Lot 5, Block 63, Plat "A", Salt Lake City Survey and running thence East 113.5 feet; thence South 165 feet; thence West 113.5 feet; thence North 165 feet to the point of beginning.

Being also described by Survey as follows:

A parcel of land situate in the Northwest quarter of Section 1, Township 1 South, Range 1 West, Salt Lake Base and Meridian, being more particularly described as follows:

Beginning at a point on the Southerly right-of-way of 200 South Street, said point being North 89°53'06" East 198.00 feet from the Northwest corner of Lot 5, Block 63, Plat "A", Salt Lake City Survey, and point also being South 86°59'32" East 266.52 feet and South 54.99 feet from the Street Monument at the Intersection of 200 South Street and 600 West Street, and running thence North 89°53'06" East 113.50 feet along said Southerly right-of-way; thence South 00°03'32" East 165.00 feet; thence South 89°53'07" West 113.50 feet; thence North 00°03'32" West 165.00 feet to the point of beginning.

PARCEL 1A:

A right of way as set forth in that certain Decree of Distribution (and various documents of record) recorded September 27, 1932 as Entry No. 702460 in Book 94 at Page 543 of official records, to wit:

Commencing 2 feet West of the Northeast corner of said Lot 5 and running thence West 1 rod; thence South 10 rods; thence East 1 rod; thence North 10 rods of the place of beginning.

Tax Id No.: 15-01-151-002, 15-01-151-004 and 15-01-151-003