

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Zions First National Bank
Real Estate Banking Group
One South Main Street, Suite 470
Salt Lake City, Utah 84133
Attn: Jeffrey A. Holt
Loan No. 7515650-9001

FOR REFERENCE:
TAX PARCEL No. 16.06.305.030

12082972
7/1/2015 10:03:00 AM \$34.00
Book - 10339 Pg - 4787-4799
Gary W. Ott
Recorder, Salt Lake County, UT
LANDMARK TITLE
BY: eCASH, DEPUTY - EF 13 P.

**SUBORDINATION AGREEMENT; ACKNOWLEDGMENT OF LEASE
ASSIGNMENT, ESTOPPEL, ATTORNMENT
AND NON-DISTURBANCE AGREEMENT
(Lease to Deed of Trust)**

**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.**

THIS SUBORDINATION AGREEMENT; ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL, ATTORNMENT AND NON-DISTURBANCE AGREEMENT ("Agreement") is made as of March 6, 2015 by and among 333 SOUTH STATE, LLC, a Utah limited liability company ("Owner"), QUESTAR CORPORATION, a Utah corporation ("Lessee"), and ZIONS FIRST NATIONAL BANK, a national banking association ("Lender").

RECITALS

- A. Pursuant to the terms and provisions of an Amended and Restated Lease Agreement dated June 1, 2011, (the "Lease"), Owner, as landlord, granted to Lessee, as tenant, a leasehold estate in and to a portion of the property described on Exhibit A attached hereto and incorporated herein by this reference (which property, together with all improvements now or hereafter located on the property, is defined as the "Property").
- B. Owner has executed a Term Loan Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing dated March 6, 2015, recorded in the Office of the Salt Lake County Recorder, State of Utah, on March 9, 2015, as Entry No. 12006778 (the "Deed of Trust") securing, among other things, (i) a promissory note in the principal sum of Thirty-Three Million Five Hundred Twenty Thousand Dollars (\$33,520,000.00), dated March 6, 2015, in favor of Lender and (ii) a promissory note in the principal sum of Thirty-Three Million Five Hundred Twenty Thousand Dollars (\$33,520,000.00), dated March 6, 2015, in favor of Lender (collectively, "Note"), which Note is payable with interest and upon the terms and conditions described therein ("Loan").

- C. As a condition to making the Loan secured by the Deed of Trust, Lender requires that the Deed of Trust be unconditionally and at all times remain a lien on the Property, prior and superior to all the rights of Lessee under the Lease and that the Lessee specifically subordinate the Lease to the lien of the Deed of Trust, subject to the terms and conditions of this Agreement.
- D. Owner and Lessee have agreed to the subordination, attornment and other agreements herein in favor of Lender.

AGREEMENT

NOW THEREFORE, for valuable consideration and to induce Lender to make the Loan, Owner, Lessee, and Lender hereby agree as follows:

- 1. **SUBORDINATION.** Owner and Lessee hereby agree that:
 - 1.1 **Prior Lien.** Subject to the terms and conditions of this Agreement, the Deed of Trust securing the Note in favor of Lender, and any modifications, renewals or extensions thereof (including, without limitation, any modifications, renewals or extensions with respect to any additional advances made subject to the Deed of Trust), shall unconditionally be and at all times remain a lien on the Property prior and superior to the Lease;
 - 1.2 **Subordination.** Lender would not make the Loan without this agreement to subordinate and Lessee would not agree to subordinate without the non-disturbance and other protective provisions of this Agreement; and
 - 1.3 **Whole Agreement.** This Agreement shall be the whole agreement and only agreement with regard to the subordination of the Lease to the lien of the Deed of Trust and shall supersede and cancel, but only insofar as would affect the priority between the Deed of Trust and the Lease, any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in the Lease which provide for the subordination of the Lease to a deed or deeds of trust or to a mortgage or mortgages.

AND FURTHER, Lessee individually declares, agrees and acknowledges for the benefit of Lender, that:

- 1.4 **Use of Proceeds.** Lender, in making disbursements pursuant to the Note, the Deed of Trust or any loan agreements with respect to the Property, shall use commercially reasonable efforts to ensure that such proceeds and any application or use of such proceeds are only used for those purposes provided for in such agreement or agreements; provided, however, that the misuse of such proceeds by Owner shall not defeat this agreement to subordinate in whole or in part;
- 1.5 **Waiver, Relinquishment and Subordination.** Subject to the terms and conditions of this Agreement, Lessee intentionally waives, relinquishes and subordinates all of Lessee's right, title and interest in and to the Property to the lien of the Deed of Trust and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be

made by Lender and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

2. **ASSIGNMENT.** Lessee acknowledges and consents to the collateral assignment of the Lease by Owner in favor of Lender.
3. **ESTOPPEL.** Lessee acknowledges and represents that:
 - 3.1 **Lease Effective.** The Lease has been duly executed and delivered by Lessee and, subject to the terms and conditions thereof, the Lease is in full force and effect, the obligations of Lessee thereunder are valid and binding and there have been no modifications or additions to the Lease, written or oral;
 - 3.2 **No Default.** Owner and Lessee acknowledge that Owner is currently working to repair water leakage in the foundation. Except as has arisen or may arise from water leakage in the foundation, including but not limited to any leakage into the parking lot and electrical system, to lessee's actual knowledge, as of the date hereof: (i) there exists no breach, default, or event or condition which, with the giving of notice or the passage of time or both, would constitute a breach or default under the Lease; and (ii) there are no existing claims, defenses or offsets against rental due or to become due under the Lease;
 - 3.3 **Entire Agreement.** The Lease constitutes the entire agreement between Owner and Lessee with respect to the Property and Lessee claims no rights with respect to the Property other than as set forth in the Lease; and
 - 3.4 **No Prepaid Rent.** No deposits or prepayments of rent have been made in connection with the Lease.
4. **ADDITIONAL AGREEMENTS.** Lessee covenants and agrees that, during all such times as Lender is the beneficiary under the Deed of Trust:
 - 4.1 **Modification, Termination and Cancellation.** Lessee will not consent to any modification, amendment, termination or cancellation of the Lease (in whole or in part) without Lender's prior written consent and will not make any payment to Owner in consideration of any modification, termination or cancellation of the Lease (in whole or in part) without Lender's prior written consent, except for amendments or modifications specifically contemplated in the Lease, including, without limitation, for confirming the Lessee's commencement date and expiration date, or adjusting the rent payable based on a re-measurement of the Building and Premises, which amendments shall be binding on Lender without prior notice or consent;
 - 4.2 **Notice of Default.** Lessee will notify Lender in writing concurrently with any notice given to Owner of any default by Owner under the Lease, and Lessee agrees that Lender has the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth in the Lease and Lessee will not declare a default of the Lease, as to Lender, if Lender cures such default within such period;

- 4.3 **No Advance Rents.** Lessee will make no payments or prepayments of rent more than one (1) month in advance of the time when the same become due under the Lease; and
- 4.4 **Assignment of Rents.** Upon receipt by Lessee of written notice from Lender that Lender has elected to terminate the license granted to Owner to collect rents, as provided in the Deed of Trust, and directing the payment of rents by Lessee to Lender, Lessee shall comply with such direction to pay and shall not be required to determine whether Owner is in default under the Loan and/or the Deed of Trust. Lessee's agreement to comply with such directive of Lender is expressly conditioned on Lender's agreement to indemnify, defend and hold harmless Lessee from any claims asserted by Owner against Lessee based on Lessee's compliance with such directive, regardless of Owner's cause of action or theory of recovery.
5. **ATTORNMEN**. In the event of a foreclosure under the Deed of Trust, Lessee agrees for the benefit of Lender (including for this purpose any transferee of Lender or any transferee of Owner's title in and to the Property by Lender's exercise of the remedy of sale by foreclosure under the Deed of Trust) as follows:
- 5.1 **Payment of Rent.** Subject to the terms and conditions in the Lease, Lessee shall pay to Lender all rental payments required to be made by Lessee pursuant to the terms of the Lease for the duration of the term of the Lease;
- 5.2 **Continuation of Performance.** Lessee shall be bound to Lender in accordance with all of the provisions of the Lease for the balance of the term thereof, and Lessee hereby attorns to Lender as its landlord, such attornment to be effective and self-operative without the execution of any further instrument immediately upon Lender succeeding to Owner's interest in the Lease and giving written notice thereof to Lessee;
- 5.3 **No Offset.** Lender shall not be liable for, nor subject to, any offsets or defenses which Lessee may have by reason of any act or omission of Owner that results in a breach or default under the Lease (except to the extent that Lender or its successors and assigns continues such breach or default under the Lease or Lender was given written notice of such breach or default in accordance with Section 4.2 above), nor for the return of any sums which Lessee may have paid to Owner under the Lease as and for security deposits, advance rentals or otherwise, except to the extent that such sums are actually delivered by Owner to Lender; and
- 5.4 **Subsequent Transfer.** If Lender, by succeeding to the interest of Owner under the Lease, should become obligated to perform the covenants of Owner thereunder, then, upon any further transfer of Owner's interest by Lender, all of such obligations accruing from and after that effective date of such transfer shall terminate as to Lender, provided that the transferee agrees in writing to assume such obligations.
6. **NON-DISTURBANCE.** In the event of a foreclosure under the Deed of Trust, so long as there shall then exist no breach, default, or event of default on the part of Lessee under the Lease (beyond any applicable notice and cure period), Lender agrees for itself and its successors and assigns that the leasehold interest of Lessee under the Lease shall not be extinguished or terminated by reason of such foreclosure and that it shall be bound under

all of the terms, covenants and conditions of the Lease (including, without limitation, the obligation to commence or complete the construction of the Building and related improvements to be constructed on the Property by Owner, as and when provided in the Lease), but rather the Lease shall continue in full force and effect and Lender shall recognize and accept Lessee as tenant under the Lease subject to the terms and provisions of the Lease, except as expressly modified by this Agreement. Similarly, in such event, Lender shall not disturb any sublessee's possession of its subleased premises. Lender agrees that if any action or proceeding is commenced by Lender for foreclosure of the Deed of Trust, Lessee shall not be named as a party, and any such sale of the Property shall be made subject to all rights of Lessee under the Lease.

7. **MISCELLANEOUS.**

7.1 **Heirs, Successors, Assigns and Transferees.** The covenants herein shall be binding upon, and inure to the benefit of, the heirs, successors and assigns of the parties hereto; and

7.2 **Notices.** All notices or other communications required or permitted to be given pursuant to the provisions hereof shall be deemed served upon delivery by a nationally-recognized commercial courier or, if mailed, upon the first to occur of receipt or the expiration of three (3) days after deposit in United States Postal Service, certified mail, postage prepaid and addressed to the address of Owner, Lessee or Lender appearing below:

"OWNER" 333 South State, LLC
 595 South Riverwood Parkway, Suite 400
 Logan, Utah 84321
 Attn: Dell Loy Hansen

With a copy to:

Olson & Hoggan, P.C.
130 South Main Street, Suite 200
Logan, Utah 84321
Attn: Robert B. Funk, Esq.

"LENDER" Zions First National Bank
 Real Estate Banking Group
 One South Main Street, Suite 470
 Salt Lake City, Utah 84133
 Attn: Jeff A. Holt
 Loan No. _____

With a copy to:

Callister Nebeker & McCullough
10 E. South Temple, Suite 900
Salt Lake City, Utah 84133
Attn: John B. Lindsay

"LESSEE" Questar Corporation
P.O. Box 45433
Salt Lake City, Utah 84145-0433
Attn: Vice President IT & Administration

provided, however, any party shall have the right to change its address for notice hereunder by the giving of written notice thereof to the other party in the manner set forth in this Agreement; and

7.3 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument; and

7.4 **Remedies Cumulative.** All rights of Lender herein to collect rents on behalf of Owner under the Lease are cumulative and shall be in addition to any and all other rights and remedies provided by law and by other agreements between Lender and Owner or others; and

7.5 **Paragraph Headings.** Paragraph headings in this Agreement are for convenience only and are not to be construed as part of this Agreement or in any way limiting or applying the provisions hereof.

8. **INCORPORATION.** Exhibit A is attached hereto and incorporated herein by this reference.

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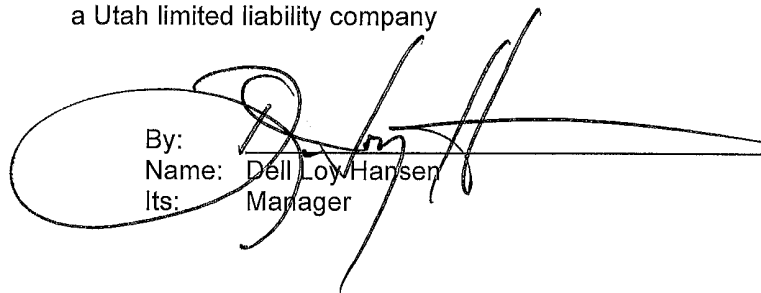
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.

"OWNER"

333 SOUTH STATE, LLC,
a Utah limited liability company

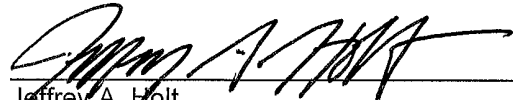
By: 
Name: Dell Loy Hansen
Its: Manager

Loan No. 7515650-9001

"LENDER"

ZIONS FIRST NATIONAL BANK,
a national banking association


By:



Jeffrey A. Holt
Senior Vice President

"LESSEE"

QUESTAR CORPORATION,
a Utah corporation

By: 
Name: Kelly B. Maxfield
Its: Vice President IT & Administration

STATE OF UTAH)
COUNTY OF Salt Lake) : ss.

The foregoing instrument was acknowledged before me this 16 day of June, 2015,
by Dell Loy Hansen, the Manager of 333 SOUTH STATE, LLC, a Utah limited liability company,
on behalf of such company.

Christy Moe Ginn
Notary Public

My commission expires: 5/14/2019


[SEAL]



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

My commission expires: 6/1/19

Notary Public

 **NOTARY PUBLIC**
TRACY ROBERTSON
Commission No. **683246**
Commission Expires
JUNE 01, 2019
STATE OF UTAH

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

The foregoing instrument was acknowledged before me this 15th day of June, 2015, by Kelly B. Maxfield, the Vice President IT & Admin. of QUESTAR CORPORATION, a Utah corporation, on behalf of such company.

Carol Miller

Notary Public

My commission expires:

[SEAL]

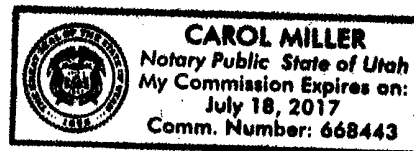


EXHIBIT A - DESCRIPTION OF PROPERTY

EXHIBIT A to Subordination Agreement; Acknowledgment of Lease Assignment, Estoppel, Attornment and Non-Disturbance Agreement dated as of March 6, 2015 executed by 333 SOUTH STATE, LLC, a Utah limited liability company, as "Owner", QUESTAR CORPORATION, a Utah corporation, as "Lessee", and ZION FIRST NATIONAL BANK, a national banking association, as "Lender".

All that certain real property located in the County of Salt Lake, State of Utah, described as follows:

A parcel of land located in Block 53, Salt Lake City Survey, said parcel being more particularly described as follows:

Beginning at a point on the West Line of said Block 53, said point being N00°02'14"W 237.43 feet, along the West Line of said Block 53, from the Southwest Corner of Lot 2 of said Block 53, and running thence, along said West Line of Block 53, N00°02'14"W 257.78 feet; thence N89°57'25"E 165.08 feet; thence S00°02'16"E 65.03 feet; thence N89°57'26"E 182.72 feet to the West Boundary Line of The Metro Condominium Plat as recorded in the Salt Lake County Recorder's Office; thence, along said West Boundary Line of The Metro Condominium Plat and the City Centre One Parcel S00°02'31"E 193.01 feet; thence West 347.81 feet to the Point of Beginning.