

WHEN RECORDED MAIL TO:

RECORDING REQUESTED BY:

AND WHEN RECORDED RETURN TO:

West 200 South UT, LLLP  
50 West Broadway, Suite 333  
Salt Lake City, UT 84101  
Attention: Charles A. Schmid

*183536-CAP*  
MAIL TAX STATEMENTS TO:

Same as above

14328970 B: 11541 P: 2002 Total Pages: 19  
12/24/2024 08:51 AM By: vanguyen Fees: \$40.00  
Rashelle Hobbs, Recorder, Salt Lake County, Utah  
Return To: COTTONWOOD TITLE INSURANCE AGENCY, INC.  
1996 EAST 6400 SOUTH SUITE 120SALT LAKE CITY, UT 84121

## **Subordination and Standstill Agreement**

In Reference to Tax ID Number(s):

15-02-251-024, 15-02-251-025, 15-02-251-026 and 15-02-251-027

## SUBORDINATION AND STANDBY AGREEMENT

THIS SUBORDINATION AND STANDBY AGREEMENT (this "Agreement") is entered into this 23rd day of December, 2024 by and among (i) ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association (together with its successors and/or assigns, the "Senior Lender"), (ii) REDEVELOPMENT AGENCY OF SALT LAKE CITY, a public entity (the "Subordinate Lender"), and (iii) WEST 200 SOUTH UT, LLLP, a Utah limited liability limited partnership (the "Borrower").

### Recitals

A. Issuer is authorized by the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Part 1, Utah Code Annotated 1953, as amended (the "Act"), to issue one or more series of its revenue bonds and loan the proceeds thereof to finance, among other things, the acquisition, construction and development of multifamily rental housing for persons and families of low or moderate income.

B. Pursuant to the Act and that certain Junior Indenture of Trust (the "Indenture") by and between Utah Housing Corporation, an independent body politic and corporate, constituting a public corporation, organized and existing under the laws of the State of Utah ("Issuer"), and Senior Lender, Issuer proposes to finance the acquisition, construction and development of a 105-unit (including one manager unit) multifamily rental housing development to be located within Salt Lake City, Utah, on real property more particularly described in Exhibit A attached hereto and incorporated by reference herein (the "Property"), to be known as "Latitude Apartments" (the "Project");

C. Pursuant to and in accordance with the Act, Issuer has authorized and undertaken to issue revenue bonds to be designated Utah Housing Corporation Subordinate Multifamily Housing Revenue Bonds (Latitude Apartments) 2024 Series C, in the original aggregate principal amount of \$1,200,000 (the "Bonds") pursuant to the Indenture in order to provide a portion of the funds necessary to finance the Project;

D. Senior Lender has duly entered into a Junior Loan Agreement dated December 1, 2024 (the "Senior Loan Agreement") with Borrower and the Issuer specifying the terms and conditions under which it will issue the Bonds and use the proceeds of the sale thereof to make a mortgage loan in the original aggregate principal amount of \$1,200,000 (the "Senior Loan"), to the Borrower for the financing of the Project, evidenced by a Junior Promissory Note (the "Senior Note"), endorsed by the Issuer to the Lender pursuant to the Indenture and secured by, among other things, that certain Subordinate Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Senior Deed of Trust") dated December 1, 2024, executed by Borrower in favor of a trustee named therein, for the benefit of Issuer, as assigned to Senior Lender pursuant to the Indenture, encumbering the Property (the Senior Note, the Senior Deed of Trust, the Senior Loan Agreement, and all other documents executed in connection with the Senior Loan or the Bonds, including this Agreement, are collectively referred to as the "Senior Loan Documents").

E. The Borrower has requested the Senior Lender to permit the Subordinate Lender to make a subordinate loan to the Borrower in the amount of \$2,420,000 (the "Subordinate Loan") and to secure the Subordinate Loan by, among other things, placing a mortgage lien against the Property.

F. The Senior Lender has agreed to permit the Subordinate Lender to make the Subordinate Loan and to place a subordinate mortgage lien against the Property subject to all of the conditions contained in this Agreement.

NOW, THEREFORE, in order to induce the Senior Lender to permit the Subordinate Lender to make the Subordinate Loan to the Borrower and to place a subordinate mortgage lien against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Borrower agree as follows:

### **1. Definitions.**

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

"Affiliate" means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term "control" for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

"Borrower" means the Person named as such in the first paragraph of this Agreement and any other Person (other than the Senior Lender) who acquires title to the Property after the date of this Agreement.

"Business Day" means any day other than Saturday, Sunday or a day on which the Senior Lender is not open for business.

"Default Notice" means: (a) a copy of the written notice from the Senior Lender to the Borrower stating that a Senior Loan Default has occurred under the Senior Loan; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan Default has occurred under the Subordinate Loan. Each Default Notice shall specify the default upon which such Default Notice is based.

"Person" means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

“Senior Loan Default” means the occurrence of an “Event of Default” as that term is defined in the Senior Loan Documents.

“Senior Lender” means the Person named as such in the first paragraph on page 1 of this Agreement. When any other Person becomes the legal holder of the Senior Note, such other Person shall automatically become the Senior Lender.

“Subordinate Deed of Trust” means the Trust Deed with Assignment of Rents encumbering the Property as security for the Subordinate Loan, which the Subordinate Lender will cause to be recorded among the applicable land records immediately before this Agreement.

“Subordinate Lender” means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“Subordinate Loan Default” means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

“Subordinate Loan Documents” means the Subordinate Note, the Subordinate Deed of Trust and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

“Subordinate Note” means the HOME Investment Partnership Program (HOME) Development Fund Promissory Note on or about the date herewith issued by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loan.

## **2. Permission to Place Deed of Trust Lien Against Property.**

The Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit the Subordinate Lender to record the Subordinate Deed of Trust and other recordable Subordinate Loan Documents against the Property (which are subordinate in all respects to the lien of the Senior Deed of Trust) to secure the Borrower’s obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of the Borrower to the Subordinate Lender under and in connection with the Subordinate Loan. Such permission is subject to the condition that each of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is true and correct on the date of this Agreement and on the date on which the proceeds of the Subordinate Loan are disbursed to the Borrower. If any of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is not true and correct on both of those dates, the provisions of the Senior Deed of Trust and Senior Loan Documents applicable to unpermitted liens on the Property shall apply.

### **3. Borrower's and Subordinate Lender's Representations and Warranties.**

The Borrower and the Subordinate Lender each makes the following representations and warranties to the Senior Lender:

**(a) Subordinate Note.** The Subordinate Note shall be deemed to contain the following provision:

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by that certain Junior Promissory Note (the "Senior Note") in the original principal amount of \$1,200,000 executed by West 200 South UT, LLLP, a Utah limited liability limited partnership (the "Borrower"), payable to Utah Housing Corporation, an independent body politic and corporate, constituting a public corporation, organized and existing under the laws of the State of Utah, as assigned to Zions Bancorporation, National Association, a national banking association (the "Senior Lender"), to the extent and in the manner provided in that certain Subordination and Standstill Agreement dated as of December 1, 2024, by and among Redevelopment Agency of Salt Lake City, the Borrower and the Senior Lender (the "Subordination Agreement"). The Deed of Trust securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Deed of Trust securing the Senior Note as those terms are defined in, and as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Note under the Deed of Trust securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of this Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender (as defined in the Subordination Agreement) under the Subordination Agreement.

**(b) Relationship of Borrower to Subordinate Lender and Senior Lender.**

The Subordinate Lender is not an Affiliate of the Borrower and is not in possession of any facts which would lead it to believe that the Senior Lender is an Affiliate of the Borrower.

**(c) Term.** The term of the Subordinate Note does not end before 6 months after the term of the Senior Note.

**(d) Subordinate Loan Documents.** The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents, Borrower shall deliver to Senior Lender an executed copy of each of the Subordinate Loan Documents.

**(e) Senior Loan Documents.** Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents.

#### **4. Terms of Subordination.**

**(a) Agreement to Subordinate.** The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Deed of Trust and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Deed of Trust and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Deed of Trust and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Deed of Trust, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Deed of Trust, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property).

**(b) Subordination of Subrogation Rights.** The Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of the Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Property which (but for this subsection) would be senior to the lien of the Senior Deed of Trust, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Deed of Trust.

**(c) Payments Before Senior Loan Default.** Until the Subordinate Lender receives a Default Notice of a Senior Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents. Such payments include scheduled principal and interest payments and the Subordinate Lender agrees that the Subordinate Loan does not include any hyper-amortization feature. Such payments include simple, non-compounding, interest. Such payments are payable only from surplus cash flow, as described in the Subordinate Note.

**(d) Payments After Senior Loan Default.** The Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender's prior written consent. The Subordinate Lender agrees that, after it receives a Default Notice from the Senior Lender with written instructions directing the Subordinate Lender not to accept payments from the Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges,

default interest, attorney's fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender's prior written consent. If the Subordinate Lender receives written notice from the Senior Lender that the Senior Loan Default which gave rise to the Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by the Senior Lender, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the Senior Lender shall have no right to any subsequent payments made to the Subordinate Lender by the Borrower prior to the Subordinate Lender's receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

**(e) Remitting Subordinate Loan Payments to Senior Lender.** If, after the Subordinate Lender receives a Default Notice from the Senior Lender in accordance with subsection (d) above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the Senior Lender and unless the Senior Lender otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind to the Senior Lender, properly endorsed to the Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lender to endorse and remit any such payments to the Senior Lender, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by the Subordinate Lender, and remitted to the Senior Lender under this Section 4, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to the Senior Lender waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

**(f) Agreement Not to Commence Bankruptcy Proceeding.** The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Borrower, without the Senior Lender's prior written consent.

## **5. Default Under Subordinate Loan Documents.**

**(a) Notice of Default and Cure Rights.** The Subordinate Lender shall deliver to the Senior Lender a Default Notice within five Business Days in each case where the Subordinate Lender has given a Default Notice to the Borrower. Failure of the Subordinate Lender to send a Default Notice to the Senior Lender shall not prevent the exercise of the Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. The Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within 60 days following the date of such notice; provided, however that the Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents to the extent permitted under Section 5(b). All amounts paid by the Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default

shall be deemed to have been advanced by the Senior Lender pursuant to, and shall be secured by the lien of, the Senior Deed of Trust.

**(b) Subordinate Lender's Agreement to Standstill.** If a Subordinate Loan Default occurs and is continuing, the Subordinate Lender agrees that, without the Senior Lender's prior written consent, it will not accelerate the Subordinate Loan, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action, provided, however, that such limitation on the remedies of Subordinate Lender shall not derogate or otherwise limit Subordinate Lender's rights, following a Subordinate Loan Default, to (a) compute interest on all amounts due and payable under the Subordinate Loan at the default rate set forth in the Subordinate Loan Documents, and (b) compute prepayment premiums and late charges.

**(c) Cross Default.** The Borrower and the Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and the Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If the Subordinate Lender notifies the Senior Lender in writing that any Subordinate Loan Default of which the Senior Lender has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that the Senior Lender shall not be required to return or otherwise credit for the benefit of the Borrower any default rate interest or other default related charges or payments received by the Senior Lender during such Senior Loan Default.

## 6. Default Under Senior Loan Documents.

**(a) Notice of Default and Cure Rights.** The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five Business Days in each case where the Senior Lender has given a Default Notice to the Borrower. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default as provided below. Subordinate Lender may have up to 30 days from the date of the Default Notice to cure any monetary default under the Senior Loan Documents; provided, however, that the Senior Lender shall be entitled during such 30-day period to continue to pursue its remedies with respect to the Property. Subordinate Lender may have up to 60 days from the date of the Default Notice to cure a non-monetary default if during such 60-day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 60-day period all available rights

and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Deed of Trust.

**(b) Cross Default.** The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Senior Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Senior Deed of Trust to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Deed of Trust. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Borrower cures any Senior Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

## 7. Conflict.

The Borrower, the Senior Lender and the Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the Senior Lender and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the Senior Lender and the Subordinate Lender under the Senior Deed of Trust and the Subordinate Deed of Trust, respectively; and (c) solely as between the Senior Lender and the Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which the Senior Lender and the Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give the Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

## 8. Rights and Obligations of the Subordinate Lender Under the Subordinate Loan Documents and of the Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

**(a) Protection of Security Interest.** The Subordinate Lender shall not, without the prior written consent of the Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 6(a) above and advance funds pursuant to the Subordinate Deed of Trust for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Borrower under the Subordinate Loan Documents.

**(b) Condemnation or Casualty.** In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a "Taking"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a "Casualty"), at any time or times when the Senior Deed of Trust remains a lien on the Property the following provisions shall apply:

(1) The Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the Senior Lender's rights under the Senior Loan Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by the Senior Lender in its sole discretion; provided, however, that if the Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, the Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the Senior Lender agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the Senior Lender and the Subordinate Lender over the application of Casualty proceeds, the decision of the Senior Lender, in its sole discretion, shall prevail.

**(c) No Modification of Subordinate Loan Documents.** The Borrower and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Senior Lender in each instance, increase the amount

of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon the Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender's interest in the Subordinate Loan without the Senior Lender's consent shall be void ab initio and of no effect whatsoever and Subordinate Lender agrees that it shall not transfer or assign the Subordinate Loan or the Subordinate Loan Documents without the prior written consent of the Senior Lender.

#### **9. Stabilization, Modification or Refinancing of Senior Loan.**

The Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money, provided that the aggregate loan amount of the Senior Loan may not be increased. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) and, in the event of new mortgage debt, Subordinate Lender shall execute and deliver to Senior Lender a new subordination agreement on the same terms and conditions as this Subordination Agreement.

#### **10. Default by the Subordinate Lender or Senior Lender.**

If the Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

#### **11. Notices.**

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

SENIOR LENDER:

Zions Bancorporation, National Association  
One South Main Street, Suite 1200  
Salt Lake City, Utah 84111  
Attention: Shelene Brown  
Telephone: (801) 844-7561  
Email: [Shelene.brown@zionscorp.com](mailto:Shelene.brown@zionscorp.com)

SUBORDINATE LENDER:

451 South State Street, Room 118  
Salt Lake City, Utah 84114-5488  
Attn: Director

Either party may, by notice given pursuant to this Section, change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

**12. General.**

**(a) Assignment/Successors.** This Agreement shall be binding upon the Borrower, the Senior Lender and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the Senior Lender and the Subordinate Lender.

**(b) No Partnership or Joint Venture.** The Senior Lender's permission for the placement of the Subordinate Loan Documents does not constitute the Senior Lender as a joint venturer or partner of the Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

**(c) Senior Lender's and Subordinate Lender's Consent.** Wherever the Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

**(d) Further Assurances.** The Subordinate Lender, the Senior Lender and the Borrower each agree, at the Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Deed of Trust is subordinate to the lien, covenants and conditions of the Senior Deed of Trust, or to further evidence the intent of this Agreement.

**(e) Amendment.** This Agreement shall not be amended except by written instrument signed by all parties hereto.

**(f) Governing Law.** This Agreement shall be governed by the laws of the State in which the Property is located.

**(g) Severable Provisions.** If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

**(h) 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 Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the Senior Lender pursuant to Section 4 hereof; (iii) the acquisition by the 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 Deed of Trust; or (iv) the acquisition by the Subordinate 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 Subordinate Deed of Trust, but only if such acquisition of title does not violate any of the terms of this Agreement.

**(i) 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.

**(j) Representation Regarding Ethical Standards.** Each of Borrower and Senior Lender represents and warrants, each as to itself only, that neither has: (1) provided an illegal gift or payoff to a Salt Lake City Corporation (“City”) officer or employee, or former City officer or employee, or his or her relative or business entity; (2) retained any person to improperly solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in the City’s conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee, or former City officer or employee to breach any of the ethical standards set forth in the City’s conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

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22810.24

**[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]**

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

**SENIOR LENDER:**

ZIONS BANCORPORATION,  
NATIONAL ASSOCIATION, a  
national banking association

By: Shelene Brown  
Name: Shelene Brown  
Its: Sr. Vice President

STATE OF Utah )  
: ss.  
COUNTY OF Davis )

The foregoing instrument was acknowledged before the this 19<sup>th</sup> day of December,  
2024, by Shelene Brown, the sr. vice pres. of Zions Bancorporation, National Association, a  
national banking association, for and on behalf of said banking association.

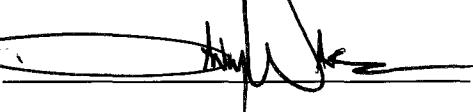


S. Watts  
Notary Public

**SUBORDINATE LENDER:**

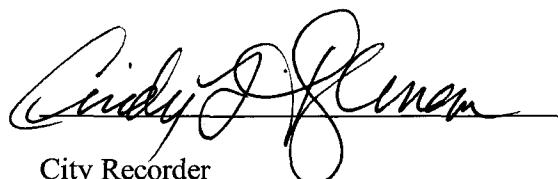
Redevelopment Agency of Salt Lake City, a  
public entity

RECORDED  
DEC 23 2024

By 

CITY RECORDER

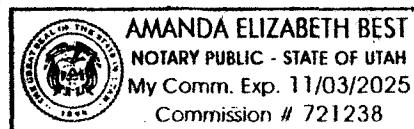
**ATTEST:**

  
Cindy Johnson  
City Recorder

Approved as to Form  
Salt Lake City Attorney's Office

By   
Sara Montoya, Senior City Attorney

STATE OF Utah )  
COUNTY OF Salt Lake )



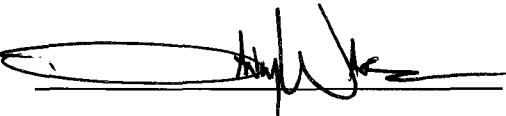
The foregoing instrument was acknowledged before the this 23 day of December, by  
Danny Walz, the Director of DDA, a representative for and on behalf of said  
Salt Lake City

  
Amanda Best  
Notary Public

**SUBORDINATE LENDER:**

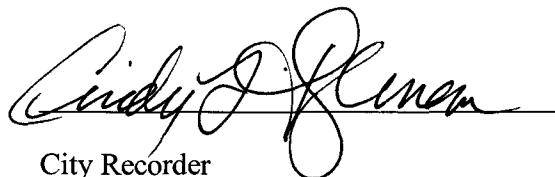
Redevelopment Agency of Salt Lake City, a  
public entity

RECORDED  
DEC 23 2024

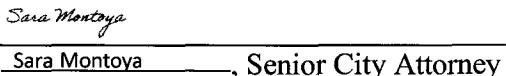
By 

CITY RECORDER

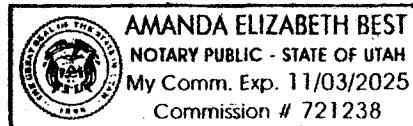
**ATTEST:**

  
Cindy Johnson  
City Recorder

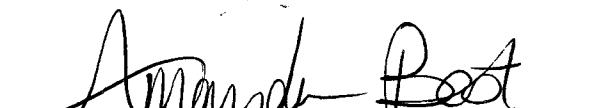
Approved as to Form  
Salt Lake City Attorney's Office

By   
Sara Montoya, Senior City Attorney

STATE OF Utah )  
COUNTY OF Salt Lake )



The foregoing instrument was acknowledged before the this 23 day of December, by  
Danny Walz, the Director of PDA, a representative for and on behalf of said  
Salt Lake City

  
Amanda Best  
Notary Public

**BORROWER:**

**West 200 South UT, LLLP,**  
a Utah limited liability limited partnership

By: UT West 200 South, LLC  
Its: General Partner

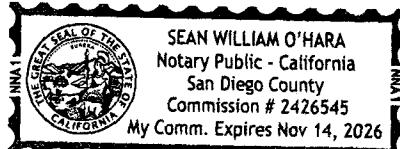
By: CS  
Charles A. Schmid, Authorized Representative

STATE OF CALIFORNIA )

)

COUNTY OF SAN DIEGO)

The foregoing instrument was acknowledged before the this 18 day of December, <sup>2024</sup> by  
Charles A. Schmid, Authorized Representative of UT West 200 South, LLC, the General Partner  
of West 200 South UT, LLLP, a Utah limited liability limited partnership, for and on behalf of  
said limited liability limited partnership.



Sean L  
Notary Public

**A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.**

State of California

County of San Diego

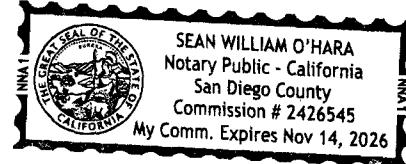
On December 18, 2024, before me, Sean William O'Hara, a Notary Public,  
(here insert name and title of the officer),

personally appeared Charles A. Schmid, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Sean L



(Seal)

**EXHIBIT A**

**LEGAL DESCRIPTION**

Real property in Salt Lake City, Salt Lake County, State of Utah, described as follows:

ALL OF LOTS 10, 11, 12, 13, 14, 15, 16 AND THE EAST 23.00 FEET OF LOT 17 OF BLOCK 1, ARCHER KULLAK SUBDIVISION, AS RECORDED IN THE OFFICE OF THE SALT LAKE COUNTY RECORDER IN BOOK "B" OF PLATS AT PAGE 35, SAID COMBINED PARCEL MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 10, AND RUNNING THENCE SOUTH  $89^{\circ}58'17''$  WEST 198.05 FEET; THENCE NORTH  $0^{\circ}00'45''$  WEST 137.02 FEET ALONG A LINE THAT IS PARALLEL WITH AND 2.00 FEET EAST OF THE WEST LINE OF SAID LOT 17 TO THE NORTH LINE OF SAID LOT 17; THENCE NORTH  $89^{\circ}58'21''$  EAST 198.05 FEET ALONG THE NORTH LINE OF SAID LOTS TO THE NORTHEAST CORNER OF SAID LOT 10; THENCE SOUTH  $0^{\circ}00'39''$  EAST 137.02 FEET ALONG THE EAST LINE OF SAID LOT 10 TO THE POINT OF BEGINNING.