

WHEN RECORDED MAIL TO:
FIDELITY NATIONAL TITLE INSURANCE COMPANY
321 EAST STATE ROAD, SUITE 200
AMERICAN FORK, UTAH 84003
#FTUT2500036-MB

SUBORDINATION AGREEMENT

(Memorandum of Repurchase Option and Anti-Speculation Right)

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 INSTRUMENTS.

This Subordination Agreement is made and entered into as of the 30th day of January, 2025, by and between VP Daybreak Devco 2, Inc., a Utah corporation, (hereinafter referred to as "Beneficiary"), in favor of HomeStreet Bank, a Washington state chartered commercial bank (hereinafter referred to as the "Lender").

- A. WBCASA, LLC, a Utah limited liability company, did execute a **Memorandum of Repurchase Option and Anti-Speculation Right**, to VP Daybreak Devco 2, Inc. a Utah corporation covering the following described parcel of real property, situated in Salt Lake County, State of Utah:

Legal description attached hereto as Exhibit "A" and made a part hereof by this reference

Which **Memorandum of Repurchase Option and Anti-Speculation Right** was recorded on September 27, 2024, as Entry No. 14293521 in Book 11521 at Page 1870 of the Official records of said county.

- B. Sego Daybreak #14, LC (hereinafter "Owners") are currently vested with fee title to the above described property.

Owners have executed, or are about to execute Deed of Trust and a note and other related documents (hereinafter collectively referred to as the "Loan Documents") in the sum of **\$1,102,100.00**, dated January 24th, 2025, in favor of Lender, payable with interest and upon the terms and conditions described therein, said deed of trust was recorded January 30, 2025, as Entry No. 14341244 in Book 11547 at Page 4283.

It is a condition precedent to obtaining said loan that the Loan Documents shall unconditionally be and remain at all times a lien or charge upon the land hereinabove described, prior and superior to the lien or charge of the **"Memorandum of Repurchase Option and Anti-Speculation Right"**.

- C. Lender is willing to make said loan provided the Loan Documents securing the same constitute a lien or charge upon the above described property prior and superior to the lien or charge of the **Memorandum of Repurchase Option and Anti-Speculation Right** and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the Beneficiary to the lien of charge of the Loan Documents.

- D. It is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the **Memorandum of Repurchase Option and Anti-Speculation Right**.

Now, therefore, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That the Loan Documents, including but not limited to, the deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the **Memorandum of Repurchase Option and Anti-Speculation Right**.
- (2) That Lender would not make its loan above described without this Subordination Agreement.
- (3) That this agreement shall be the only agreement with regard to the subordination of the lien or charge of the **Memorandum of Repurchase Option and Anti-Speculation Right** to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the deed of trust and the **Memorandum of Repurchase Option and Anti-Speculation Right** hereinbefore specifically described, but not limited to, those provisions, if any, contained in the **Memorandum of Repurchase Option and Anti-Speculation Right**, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that:

- (a) Lender, in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any applications or use of such proceeds for purposes other than those provided for in such agreement of agreements shall not defeat the subordination herein made in whole or part;
- (b) It intentionally and unconditionally waives, relinquishes and subordinates the lien of charge of the **Memorandum of Repurchase Option and Anti-Speculation Right** in favor of the lien of charge upon said land of the Loan Documents 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 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; and

Notwithstanding the foregoing subordination of the lien or charge of the Memorandum of Repurchase Option and Anti-Speculation Right, Lender acknowledges and agrees that the Memorandum shall survive a foreclosure of the Loan Documents by Lender; and Lender (or any other purchaser of the land at foreclosure) shall be bound by the provisions of the Memorandum which shall continue to bind the land and remain in full force and effect despite any such foreclosure and despite the foregoing subordination.

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 THE IMPROVEMENT OF THE LAND.

**VP Daybreak Devco 2, Inc.,
a Utah corporation**

By: Tara B. Donnelly
Its: Residential Closing Officer

STATE OF UTAH)
)ss.
County of Salt Lake)

On January 30th, 2025, before me, the undersigned Notary Public, personally appeared **Tara B. Donnelly, who is the Residential Closing Officer for VP Daybreak Devco 2, Inc., a Utah corporation**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity and that by her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires: Dec. 19, 2026

Notary Public

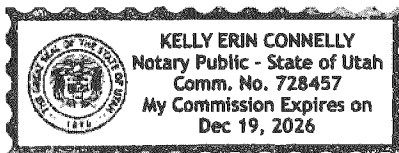


EXHIBIT "A"
LEGAL DESCRIPTION

For APN/Parcel ID(s): 26-22-177-007

LOT 263 OF THAT PLAT MAP ENTITLED "DAYBREAK VILLAGE 9 PLAT 3 AMENDING LOT Z101 OF THE VP DAYBREAK OPERATIONS-INVESTMENTS PLAT 1, ALSO AMENDING LOT V5 OF THE KENNECOTT MASTER SUBDIVISION #1 AMENDED" RECORDED ON MARCH 20, 2023, AS ENTRY NO. 14084218, BOOK 2023P AT PAGE 063 OF THE OFFICIAL RECORDS OF SALT LAKE COUNTY, UTAH.