

WHEN RECORDED, PLEASE RETURN TO:

Victor A. Taylor, Esq.
Parr Waddoups Brown Gee & Loveless
185 South State Street, Suite 1300
Salt Lake City, Utah 84111-1536

7817355
02/08/2001 04:33 PM NO FEE
Book - 8422 Pg - 8718-8724
BRADLEY A SNOW
CHIEF DEPUTY RECORDER, SL CO, UT
LANDMARK TITLE
BY: ZJH, DEPUTY - WI 7 P.

7817355

NOTICE OF FAÇADE MAINTENANCE AGREEMENT

The REDEVELOPMENT AGENCY OF SALT LAKE CITY, a public agency, corporate and politic of the State of Utah ("Agency"), and the predecessor in interest to ARCADE DEVELOPERS, LLC, a Utah limited liability company ("Developer"), have entered into a Purchase and Sale Agreement (the "Agreement") dated January 4, 2001 affecting certain property in the Southeast portion of Block 57, Plat "A", Salt Lake City Survey in Salt Lake City, Utah more particularly described in Exhibit "A" attached hereto (the "Property"). Located on the Property is a building known as the Brooks Arcade Building, the entire exterior of such building on its eastern and southern frontages being referred to in the Agreement and herein as the "Façade."

The Agreement provides for Developer restoring the Façade as more particularly described in Section 7.3.2 of the Agreement ("Façade Restoration"). Following Façade Restoration Article XIV of the Agreement provides as follows:

ARTICLE XIV

Maintenance of Facade

14.1 Maintenance of Façade. If Façade Restoration is achieved by Developer prior to the issuance of the Certificate of Completion, then this Article shall be applicable. If Façade Restoration is not achieved by Developer prior to the issuance of the Certificate of Completion, then this Article shall be inapplicable and shall have no force or effect. If Façade Restoration is so achieved, then following such issuance, Developer shall maintain and preserve the Façade in good condition and repair, including the supporting structure, in substantially the same condition as on the Issuance Date, reasonable wear and tear and deterioration by the elements excepted; provided, however, that if the Façade suffers a significant casualty loss or structural impairment which renders repairs or restoration of the Façade impossible or so excessively expensive as to be commercially unreasonable, then Developer shall be relieved of such obligation.

14.2 Required Agency Approval. Developer shall obtain the prior written approval of Agency, such approval not to be unreasonably withheld, delayed or conditioned, if Developer desires to do any of the following: (a) clean the Façade if such action will materially alter the Façade as it appears on the Issuance Date; (b) trim painting, if the paint color is noticeably different from the then existing paint on the Façade; or (c) undertake any exterior construction, alteration, remodeling, movement, or any other thing which would materially and adversely affect the exterior surface of the

BK8422PG8718

Façade or increase or decrease the height of the Façade as it exists on the Issuance Date. In addition, Developer shall not sandblast the Façade or use abrasive cleaning methods to clean the Façade.

14.3 Right of Agency.

(a) Agency and its representatives shall be permitted at all reasonable times to inspect the Property for purposes of determining compliance with this Article. Inspections will normally take place from the street. If Agency reasonably determines that immediate entry is required to prevent, terminate, or mitigate a violation of this Article, such entry shall be upon reasonable prior notice to Developer, and shall not in any case unreasonably interfere with the use and quiet enjoyment of the Property by Developer or its tenants, invitees, successors or assigns.

(b) Agency may employ or contract with individuals, agencies, or other entities for the express purpose of assisting with monitoring activities, including the preparation of all reports and data related thereto. Agency may at any time, in its sole discretion, employ third parties to carry out Agency's rights and obligations under this Article.

(c) Agency shall be given prior written notice by Developer of any proposed alterations to the exterior of the Brooks Arcade Building. The purpose of requiring notice to Agency prior to undertaking certain permitted activities, is to afford Agency an adequate opportunity to monitor the activities in question to ensure that they are designed and carried out in a manner that is consistent with the purpose of maintaining the Façade.

14.4 Breach.

(a) Developer will, at Developer's expense, cure any breach or violation of the terms of this Article within thirty (30) days after receiving written notice thereof, or if such breach or violation cannot reasonably be cured within thirty (30) day period, then within any such longer period as may be reasonably required to cure such breach or violation, so long as Developer commences the cure within such thirty (30) day period and thereafter diligently pursues the cure to completion. In the event Developer fails so to cure, Developer will pay the costs and expenses, including reasonable attorney fees incurred by Agency, for any action reasonably necessary to enforce the terms of this Article, including the curing of such breach or violation by Agency.

(b) Upon any breach of the terms of this Article by Developer which is not cured within the applicable cure period, Agency shall, in addition to the rights conferred on Agency by the paragraph above, have the following rights which shall be cumulative and shall be in addition to any other rights and remedies available to Agency, at law or in equity: (1) to require restoration of the Facade to the condition it would have been in but for Developer's breach of this Article; (2) to enjoin any further breach or enforce any covenant hereof by action in an appropriate court of competent jurisdiction; (3) to recover damages for any breach of this Article or for the purpose of accomplishing the restoration described in item 1 above; and/or (4) to enter upon the Property, correct

any such violation, and hold Developer, its successors, and/or assigns, liable for the reasonable cost thereof, and, any amounts expended by Agency to correct said violation, such amounts to accrue interest at the rate of one percent (1%) per month until paid. Any amounts so expended by Agency, together with interest as aforesaid, shall constitute a lien upon the Property, which lien may be foreclosed in the manner provided by the laws of the State of Utah, and Developer shall be liable for any costs and expenses incurred in connection therewith, including a reasonable attorney's fee. Notwithstanding any other provision contained herein, the lien referred to herein shall be and remain subject and subordinate to any mortgage, deed of trust, declaration of condominium, easement, right-of-way, lease, sublease or rental agreement covering all or a portion of the Property at any time.

(c) Damages may be recovered for violation of the terms of this Article or injury to any preservation values protected by this Article, including reasonable damages for the remediation of lost aesthetic or preservation values. Any damages recovered shall be applied to the cost of undertaking any corrective or remedial action on the Property. Any costs of restoration or remediation necessitated by violation of the terms of this Article shall be borne by the party causing such violation.

(d) In the event Developer is found to have violated any of its obligations, Developer shall reimburse Agency for costs or expenses incurred by Agency in connection therewith, including all reasonable court costs, and attorney, architectural, engineering and expert witness fees.

(e) In addition to the remedies set forth in the foregoing portion of this Section 14.4, if the Façade is demolished or destroyed as a result of any willful or intentional act by Developer, Developer shall be liable to pay to Agency the sum of \$1,000,000 as liquidated damages, and not as a penalty.

14.5 General Provisions.

(a) Nothing contained herein shall be construed to entitle Agency to take any action for any injury to or change in the Property resulting from extraordinary causes, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

(b) Upon reasonable request by Agency, Developer shall promptly furnish Agency with reasonable evidence of Developer's compliance with any obligation of Developer contained herein.

(c) No failure on the part of Agency to enforce any provisions herein, nor any waiver of any right hereunder by Agency shall discharge or invalidate such provision, nor shall same operate to affect the right of Agency to enforce the terms and conditions hereof in the event of a subsequent breach or default.

(d) The covenants, terms, conditions and restrictions of this Article shall be binding upon, and inure to the benefit of the parties hereto and their respective

personal representatives, heirs, successors, and assigns, and shall continue as a servitude running in perpetuity with the Property.

(e) A party's rights and obligations under this Article shall terminate upon transfer of the party's interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

(f) Agency may record a notice of this Article, in form and substance reasonably acceptable to Agency and Developer, concurrently with the disbursement of the Grant to Developer.

(g) At Developer's option, Developer may grant to Agency (a) an easement in form and substance reasonably satisfactory to Agency and Developer, containing substantially the same terms and conditions as are set forth in this Article, and/or (b) an easement in form and substance reasonably satisfactory to Agency and Developer, containing substantially the same terms and conditions as are set forth in covenant numbered SIXTH in the Agency Deed. Agency shall accept any such easement without charge or requirement of payment.

DATED February 2, 2001.

“AGENCY”

REDEVELOPMENT AGENCY OF SALT LAKE CITY

APPROVED AS TO FORM:

FABIAN & CLENDENIN
a Professional Corporation

By George D. Melling, Jr.
George D. Melling, Jr.

By Ross C. Anderson
Ross C. Anderson
Its Chief Administrative Officer

By Lawrence S. Catten
Lawrence S. Catten
Its Executive Director

“DEVELOPER”

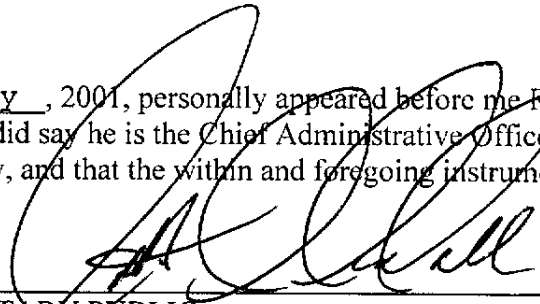
ARCADE DEVELOPERS, LLC,
by its Manager:

ALPHAGRAPHICS, INC.

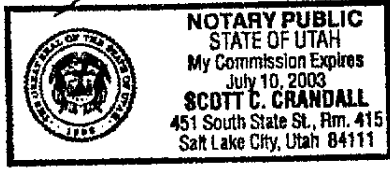
By Michael B. Witte
Michael B. Witte
Its Chief Executive Officer

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

On the 2nd day of February, 2001, personally appeared before me Ross C. Anderson, who being by me duly sworn did say he is the Chief Administrative Officer of The Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of said Agency.

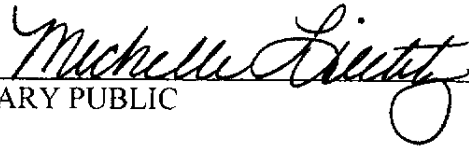


NOTARY PUBLIC

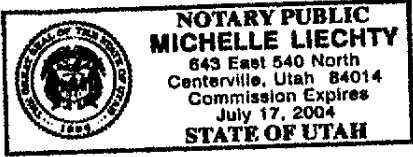


STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 1st day of February, 2001, personally appeared before me Lawrence S. Catten, who being by me duly sworn did say he is the Executive Director of The Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of said Agency.

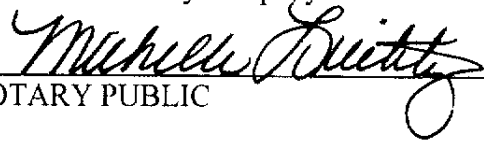


NOTARY PUBLIC

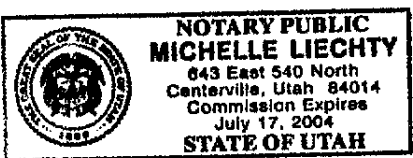


STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 1st day of February, 2001, personally appeared before me Michael B. Witte, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) and who by me duly sworn, did say that he is the Chief Executive Officer of Alphagraphics, Inc., the Manager of Arcade Developers, LLC, and that said document was signed by him in behalf of said corporation by authority of its bylaws, in behalf of said limited liability company by authority of its operating agreement, and he acknowledged to me that said corporation executed the same on behalf of said limited liability company.



NOTARY PUBLIC



3K8422PG8723

EXHIBIT "A"

BEGINNING at the Southeast corner of Block 57, Plat "A", Salt Lake City Survey, and running thence North $89^{\circ}50'34''$ West along the South line of Block 57 a distance of 145.12 feet to the East line of the parcel of land conveyed to AMERICAN STORES PROPERTIES, INC., a Delaware corporation, in that certain Fully Restated Special Warranty Deed With Final Easement Descriptions recorded November 10, 1999 as Entry No. 7509877 in Book 8322 at Page 1621, of the Official Records of the Salt Lake County Recorder; thence North $0^{\circ}08'14''$ East along said East line of the American Stores parcel a distance of 211.56 feet to the South line of Gallivan Avenue; thence South $89^{\circ}57'13''$ East along said South line of Gallivan Avenue a distance of 145.12 feet to the East line of said Block 57; thence South $0^{\circ}08'14''$ West along said East line of Block 57 a distance of 211.84 feet to the point of BEGINNING.

TOGETHER WITH the appurtenant easements, rights, benefits and privileges which are created or provided for in that certain Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded July 3, 1995 as Entry No. 6113370 in Book 7180 at Page 1501 of the Official Records, as amended and affected by a First Amendment Of The Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded January 17, 1997 as Entry No. 6551315 in Book 7579 at Page 1911 of the Official Records, and by an Amendment Of Declaration Of Covenants, Conditions, Restrictions And Easements Pertaining To A Portion Of The Surface Of Block 57, Salt Lake City, Utah, recorded November 10, 1999 as Entry No. 7509878 in Book 8322 at Page 1631 of the Official Records.

Parcel No. 16-06-152-076-2000 and 16-06-152-076-6001

3K8422PG8724