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& McCarthy  
P.O. Box 45340  
Salt Lake City, Utah 84145-0340

E 216836 B 916 P 261  
Date 8-JAN-2004 11:40am  
Fee: 21.00 Check  
CALLEN PESHELL, Recorder  
Filed By RGL  
For FIRST AMERICAN TITLE INS INC  
TOOELE COUNTY CORPORATION

Tax Parcel I.D. No.: 02-086-0-0054

## SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is effective as of the 31st day of December, 2003, by and between OLENE WALKER HOUSING LOAN FUND (the "Subordinated Lender") and UTAH COMMUNITY REINVESTMENT CORPORATION ("UCRC").

### RECITALS

A. LANDMARK TOOELE ASSOCIATES, L.C., a Utah limited liability company ("Borrower") is the owner of certain real property located in Tooele County, State of Utah, which property is more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Subject Property").

B. Borrower has requested that UCRC lend Borrower the sum of ONE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,500,000) (the "Subject Property Loan") for permanent financing of the Subject Property, and the improvements thereon, such obligation to be evidenced by a certain Promissory Note (the "Note") dated as of even date herewith, and secured by, among other things, first liens covering, respectively, the Subject Property, evidenced by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust") dated as of even date herewith, and executed by the Borrower in favor of UCRC. The Note, Deed of Trust, and all other documents evidencing or securing the Subject Property Loan are hereinafter collectively referred to as the "Loan Documents."

C. Subordinated Lender is the beneficiary under that certain Deed of Trust (the "Subordinated Lender Trust Deed") dated 12/31/2003, executed by Borrower, as Mortgagor and recorded in the official records of the Recorder's Office of Tooele County, State of Utah (the "Tooele County Recorder's Office"), on 1-8-04, as Entry No. 216834 in Book 916 at Pages 256. The Subordinated Lender Trust Deed, together with that certain Deed Restriction dated 12/31/2003 executed in connection therewith and recorded in the official records of the Tooele County Recorder's Office as Entry No. 216837 in Book 916 at Pages 267 (the "Deed Restriction") encumbers the Subject Property and secures indebtedness to the Subordinated Lender under that certain Promissory Note in the principal sum of TWO HUNDRED THOUSAND AND NO/100

DOLLARS (\$200,000), dated on or about 12/31/2003 (the "Subordinated Lender Note"). The Subordinated Lender Note, the Subordinated Lender Trust Deed, the Deed Restriction, and all other documents evidencing or securing the Subordinated Lender Note are hereinafter collectively referred to as the "Subordinated Lender Loan Documents."

D. In connection with the Subject Property Loan to Borrower, Borrower has agreed to procure this Agreement to be executed by the Subordinated Lender and delivered to UCRC.

E. It is a condition precedent to UCRC making the Subject Property Loan that the Subject Property Loan shall be and remain at all times prior and superior to any indebtedness owed by Borrower to Subordinated Lender, and that the Deed of Trust and the security interests and all other rights granted under the Loan Documents shall be and remain at all times a lien or charge upon the Subject Property prior and superior to the lien or charge of the Subordinated Lender Trust Deed, the Deed Restriction and all other Subordinated Lender Loan Documents, in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. That said Loan Documents 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 Subordinated Lender Trust Deed and the Deed Restriction.

2. That Lender would not make its loan above-described or disburse funds thereafter without this subordination agreement.

3. This agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Subordinated Lender Trust Deed and the Deed Restriction to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the documents hereinbefore specifically described, any prior agreements as to such subordination.

Subordinated Lender declares, agrees, and acknowledges that:

a. UCRC may without affecting the subordination of the Subordinated Lender Loan Documents (1) release or compromise any obligation in the Loan Documents, (2) release its liens in, or surrender, release or permit any substitution or exchange of all or any part of any properties securing repayment of the Note or (3) retain or obtain a lien in any property to further secure payment of the Note.

b. It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Subordinated Lender Trust Deed and the Deed Restriction in favor of the lien or charge upon said land in 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.

c. An endorsement has been placed upon the note secured by the Subordinated Lender Trust Deed and the Deed Restriction that said deed of trust has by this instrument been subordinated to the lien or charge of the Loan Documents.

4. All notices expressly provided hereunder to be given shall be in writing and shall be (i) hand-delivered, effective upon receipt, (ii) sent by United States Express Mail or by private overnight courier, effective upon receipt, or (iii) served by certified mail. Any such notice or demand served by certified mail, return receipt requested, shall be deposited in the United States mail, with postage thereon fully prepaid and addressed to the party so to be served at its address stated below or at such other address of which said party shall have theretofore notified in writing, as provided above, the party giving such notice. Service of any such notice or demand so made shall be deemed effective on the day of actual delivery as shown by the addressee's return receipt or the expiration of three (3) business days after the date of mailing, whichever ever is the earlier in time. Notices to be served hereunder shall be addressed to the appropriate address set forth below, or at such other place as the parties may from time to time designate in writing by ten (10) days prior written notice thereof:

If to Subordinated Lender:

Olene Walker Housing Loan Fund  
324 South State Street, #500  
Salt Lake City, Utah 84114-9302  
Attn: Housing Program Manager

If to UCRC:

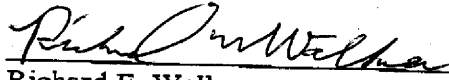
UTAH COMMUNITY REINVESTMENT CORPORATION  
Attn: Steven L. Graham, President  
475 East 200 South, Suite 120  
Salt Lake City, Utah 84111

5. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Utah.

6. This Agreement may be signed in multiple counterparts with the same effect as if all signatories had executed the same instrument.

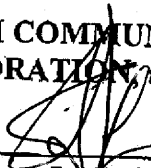
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

SUBORDINATED LENDER: **OLENE WALKER HOUSING LOAN FUND**

By:   
Richard E. Walker  
Its: Housing Program Manager

UCRC:

**UTAH COMMUNITY REINVESTMENT CORPORATION**, a Utah non-profit corporation

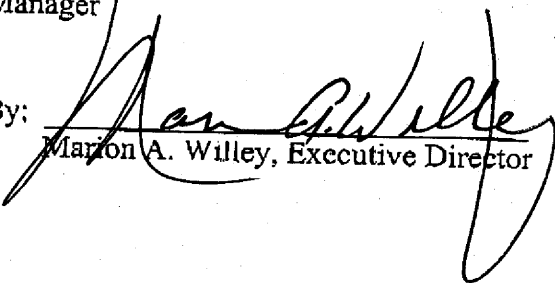
By:   
Steven L. Graham  
Its: President

ACKNOWLEDGED AND CONSENTED to as of this 31<sup>st</sup> day of December, 2003.

BORROWER: **LANDMARK TOOELE ASSOCIATES, L.C.**, a Utah limited liability company ("Borrower")

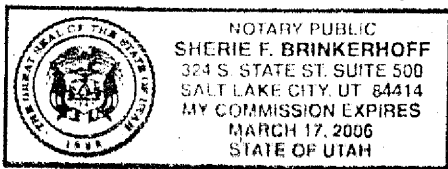
By: **LANDMARK TOOELE MANAGEMENT, L.C.**, a Utah limited liability company  
Its: Manager

By: **UTAH NON-PROFIT HOUSING CORPORATION**  
Its: Manager

By:   
Marlon A. Willey, Executive Director

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

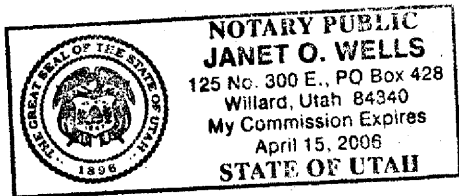
On the 31<sup>st</sup> day of December, 2003, personally appeared before me, Richard E. Walker, who being duly sworn, did say that he is the Housing Program Manager of the Division of Community Development, State of Utah, the Administrator of the Olene Walker Housing Loan Fund, and that the foregoing instrument was signed on behalf of said agency by statutory authority, and that the aforesaid agency executed the same.



*[Handwritten Signature]*  
Notary Signature and Seal

STATE OF UTAH )  
 : ss.  
COUNTY OF Wasatch )

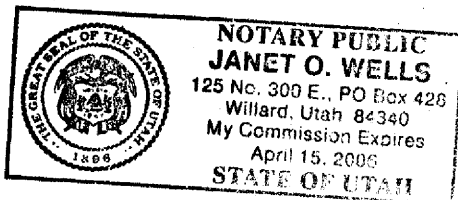
The foregoing instrument was acknowledged before me this 31 day of December, 2003, by Marion A. Willey, Executive Director of UTAH NON-PROFIT CORPORATION, Manager of LANDMARK TOOELE MANAGEMENT, L.C., a Utah limited liability company, the Manager of LANDMARK TOOELE ASSOCIATES, L.C., a Utah limited liability company.



*[Handwritten Signature]*  
Notary Signature and Seal

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

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of December, 2003, by Steven L. Graham, the President of Utah Community Reinvestment Corporation, a Utah non-profit corporation.



*[Handwritten Signature]*  
Notary Signature and Seal

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**EXHIBIT A**

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**(Description of Subject Property)**

Property located in Tooele County, Utah, more particularly described as follows:

Beginning at a point that is South 88°39'00" East 205.806 feet on the South right of way line of 2<sup>nd</sup> North Street (NKA 400 North Street) from the Northwest Corner Lot 4, Block 4, Plat "B" Tooele City Survey; thence South 88°39'00" East 301.486 feet along said South right of way line to a fence line; thence South 01°27'00" West 722.773 feet along said fence to a second fence corner; thence North 88°31'00" West 301.486 feet; thence North 01°27'00" East 722.071 feet to the point of beginning.

Less and excepting any portion of said land lying within Landmark Drive and Griffith Street, as dedicated by that certain document recorded October 14, 1980, as Entry No. 341299, in Book 187 at Page 121 of official records.