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BRENDA MCDONALD
RECORDER, UINTAH COUNTY, UTAH
FIRST AMERICAN TITLE-NCS-SLC1
NCS, 215 SOUTH STATE STREET, SALT LAKE CITY, UTAH 84111
Rec By: Chery Bolton, Deputy Recorder
Electronic Recording

When Recorded, Return To:

Troy J. Aramburu
SNELL & WILMER L.L.P.
15 West South Temple, Suite 1200
Salt Lake City, Utah 84101

APN: 05:052:0203

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Space above for Recorder's Use

**SUBORDINATION OF DEED OF TRUST TO RECIPROCAL EASEMENT
AGREEMENT WITH COVENANTS, CONDITIONS AND RESTRICTIONS TO
SURVIVE FORECLOSURE**

This Subordination of Deed of Trust to Reciprocal Easement Agreement with Covenants, Conditions and Restrictions to Survive Foreclosure (this "*Subordination*") is made as of February 12 2019, by MIDCAP FUNDING INVESTMENT V LLC (the "*Foreclosing Beneficiary*").

Factual Background

A. Foreclosing Beneficiary is the current beneficiary of that certain Multifamily Trust Deed, Assignment of Leases and Rents and Security Agreement dated as of December 1, 2011 (as amended, the "*Deed of Trust*"), executed by ASHLEY CREEK VILLAGE, LLC, a Utah limited liability company, as trustor ("*Trustor*"), to FIRST AMERICAN TITLE INSURANCE COMPANY, as original trustee, for the benefit of KEYCORP REAL ESTATE CAPITAL MARKETS, INC, an Ohio corporation ("*KeyCorp*"), as original beneficiary, recorded on December 16, 2011, as Entry No. 2011009097, in the official records of Uintah County, Utah (the "*Recorder's Office*"), as assigned to SECRETARY OF HOUSING AND URBAN DEVELOPMENT OF WASHINGTON, D C, HIS/HER SUCCESSORS AND ASSIGNS ("*HUD*") as successor beneficiary to KEYBANK NATIONAL ASSOCIATION, a national banking association, the successor by merger to KeyCorp, pursuant to that certain Assignment of Mortgage dated as of August 17, 2016, and recorded in the Recorder's Office as Entry No. 2016005536, as further assigned to MIDCAP FINANCIAL TRUST ("*MidCap Financial*") as successor beneficiary to HUD pursuant to that certain Assignment of Deed of Trust dated as of October 10, 2018 and recorded in the Recorder's Office as Entry No. 2018007110, and as further assigned to Foreclosing Beneficiary, the current beneficiary under the Deed of Trust, as successor beneficiary to MidCap Financial pursuant to that certain Assignment of Deed of Trust dated as of October 10, 2018 and recorded in the Recorder's Office as Entry No. 2018007114, covering real property located in the County of Uintah, State of Utah, and more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein (the "*Property*").

B. Subsequent to the recording of the Deed of Trust, Trustor and ASHLEY CREEK VILLAGE II, LLC, a Utah limited liability company, entered into that certain Reciprocal Easement Agreement with Covenants, Conditions and Restrictions, dated December 19, 2011 and recorded in the Recorder's Office as Entry No. 2011009105 (as amended, the "*REA*").

FIRST AMERICAN TITLE
NCS 922415

C. Foreclosing Beneficiary intends to foreclose the lien of the Deed of Trust encumbering the Property pursuant to the terms of the Deed of Trust and applicable Utah law and desires that the Property remain subject to the REA and all of the obligations, rights and benefits thereof pursuant to its terms, notwithstanding the recording of the REA subsequent in time to the recording of the Deed of Trust.

Subordination

Therefore, Foreclosing Beneficiary hereby declares and elects as follows:

1. The Deed of Trust and any renewals, extensions, modifications and supplements thereto, is hereby made subject and subordinate to, and shall constitute a lien or charge on the Property subject and junior to the REA and all of the obligations, rights and benefits created thereby in accordance with its terms.
2. From and after any foreclosure of the lien of the Deed of Trust, the Property shall remain subject to the REA and all of the obligations, rights and benefits thereof created thereby in accordance with its terms.
3. The foregoing subordination of the Deed of Trust and any renewals, extensions, modifications and supplements thereto, to the REA and all of the obligations, rights and benefits created thereby in accordance with its terms, (i) shall expressly supersede the election made in Section 4.4(h) of the REA wherein the parties thereto elected to have the REA be subordinate to the Deed of Trust and (ii) shall not be interpreted or deemed to modify Section 4.4(i) of the REA, which provides that the requirements of Section 4 of the REA shall automatically terminate on the foreclosure of the Deed of Trust unless otherwise approved by HUD.
4. This Subordination and the REA (with the exception of Section 4 thereof), shall survive the foreclosure of the lien of the Deed of Trust.
5. This Subordination shall be governed by the laws of the State of Utah.
6. This Subordination may be relied upon by any purchaser of the Property, any lender with respect to the Property, and any title company insuring any matter related to the Property.

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EXHIBIT "A"

Legal Description of Property

That certain real property located in Uintah County, State of Utah, more particularly described as follows:

LOT 3 OF ASHLEY CREEK VILLAGE, RECORDED AS ENTRY NO 2010009962, BOOK 1213
PAGE 604-807 RECORDED IN UINTAH COUNTY, UTAH