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6/30/2021 3:54:00 PM \$40.00  
Book - 11199 Pg - 9829-9837  
RASHELLE HOBBS  
Recorder, Salt Lake County, UT  
JF CAPITAL  
BY: eCASH, DEPUTY - EF 9 P.

After recording, please return to:

Vice President, Multifamily  
Utah Housing Corporation  
2479 S. Lake Park Blvd.  
West Valley City, Utah 84120

Tax Parcel I.D. No.: 16-31-351-043

## **SUBORDINATION AGREEMENT**

This Subordination Agreement ("Agreement") is made and entered into as of the \_\_\_\_ day \_\_\_\_\_, 2020, by and among **JF GLENWOOD PARTNERS, LLC**, a Utah limited liability company (the "Owner"), **CITIBANK, N.A.**, a national banking association (the "Lender"), and **UTAH HOUSING CORPORATION**, a public corporation of the State of Utah ("Utah Housing").

### **RECITALS**

A. The Owner is the owner of certain real property located in Salt Lake County, State of Utah, which property is more particularly described in Exhibit "A" attached hereto (the "Property"). The Owner has constructed certain residential housing and other improvements on the Property known as Moda Glenwood (the "Project").

B. The Lender is the current lender under a loan to the Owner as a part of the permanent financing of the Project in the sum of Twenty Five Million Dollars (\$25,000,000) (the "Assigned Loan") for the purpose of financing the acquisition of the Property. The Assigned Loan is secured by that certain Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing, dated July 1, 2020 (the "Assigned Trust Deed"), executed by the Owner for the benefit of Utah Housing and recorded in the official real estate records of the Salt Lake County Recorder's Office on July 8, 2020 as Entry No. 13322881 in Book 10975 at Page 7688. The interest of the beneficiary in the Trust Deed was assigned to the Lender pursuant to an Assignment of Deed of Trust and Loan Documents recorded on July 8, 2020, as Entry No. 13322882, in Book 10975 at Page 7754.

C. In addition to the Assigned Loan, Lender has made a loan to the Owner in the principal amount of Six Million Eight Hundred Thousand Dollars (\$6,800,000.00) (the "Second Loan", and together with the Assigned Loan, the "Loans"). The Second Loan is secured by a Subordinate Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, dated as of July 1, 2020, for the benefit of Citibank, N.A., a national banking association, recorded in the official real estate records of the Salt Lake County Recorder's Office on July 8, 2020 as Entry No. 13322883 in Book 10975 at Page 7759 (together with the Assigned Trust Deed, the "Trust Deeds").

D. As part of the permanent financing of the Project, the Owner also intends to use federal low-income housing tax credits ("Tax Credits") pursuant to Section 42 of the Internal Revenue Code ("Section 42"). In order for the Owner to qualify for Tax Credits, the Owner

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must, among other things, receive a Form 8609 from Utah Housing for the Project. Utah Housing may issue a Form 8609 only if the Owner satisfies certain requirements under Section 42.

E. To fulfill one of the requirements for Utah Housing to issue a Form 8609 for the Project, Utah Housing and the Owner have entered into that certain Low-Income Housing Credit Commitment Agreement and Declaration of Restrictive Covenants dated July 7, 2020 (the "Extended Use Agreement") and recorded in the official real estate records of the Salt Lake County Recorder's Office as Entry No. 13322884 in Book 10975 at Pages 7825-7838, which encumbers the Property and the Project.

F. The Extended Use Agreement provides in Section 10 that, notwithstanding the termination of the extended use period (as such term is defined in Section 9 thereof, the "Extended Use Period"), the Owner shall not evict or terminate the tenancy (other than for good cause) of an existing low-income tenant of any low-income unit in the Project or increase the gross rent with respect to a low-income unit, not otherwise permitted under Section 42, before the close of the three-year period following such termination of the Extended Use Period.

G. Because the Trust Deed was recorded before the Extended Use Agreement was recorded, (i) the Owner is obligated under the Extended Use Agreement to obtain, and (ii) Utah Housing cannot issue, a Form 8609 for the Project until the Owner obtains an agreement in the form herof from the Lender pursuant to which the Lender shall agree to be bound by the provisions of Section 10 of the Extended Use Agreement upon any foreclosure (or instrument in lieu of foreclosure) of the Property, in accordance with the terms of this Agreement.

H. Because the Lender recognizes that the ability of the Owner to qualify for Tax Credits is essential to the viability of the Project and the ability of the Owner to repay the Loans, the Lender is willing to enter into this Agreement and to subordinate the Trust Deeds to the Extended Use Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Lender hereby agrees that the liens of the Trust Deeds are and shall be subordinate to the Extended Use Agreement and that the Lender shall be bound by the terms and conditions of Section 10 of the Extended Use Agreement in the event the Lender acquires title to the Project by foreclosure or deed in lieu of foreclosure.

2. The Lender agrees that the subordination and agreements contained in Paragraph 1 above shall continue in effect such that the Extended Use Agreement shall unconditionally be and remain at all times an encumbrance on the Property, prior and superior to the liens or charges of the Trust Deeds, and be binding upon all successor beneficiaries under the Trust Deeds.


3. This Agreement shall be the whole and only agreement with regard to the subordination of the liens or charges of the Trust Deeds to the Extended Use Agreement.

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

5. 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.

THE LENDER: CITIBANK, N.A.,  
a national banking association

By:   
Name: Barry Krinsky  
Its: Authorized Signatory

UTAH HOUSING: UTAH HOUSING CORPORATION,  
a Utah public corporation

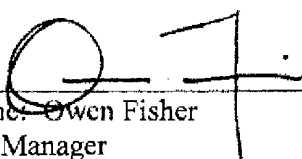
By:   
Name: Jonathan A. Hanks  
Its: Senior Vice President & COO

THE OWNER: JF GLENWOOD PARTNERS, LLC,  
a Utah limited liability company

By: JF Glenwood Member, LLC,  
a Utah limited liability company  
Its: Managing Member

By: JF Capital, LLC,  
a Utah limited liability company  
Its: Manager

By: J. Fisher Companies, LLC,  
a Utah limited liability company  
Its: Manager

By:   
Name: Owen Fisher  
Its: Manager

STATE OF Florida )  
 : ss.  
COUNTY OF Polk

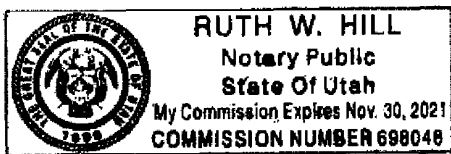
The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of June, 2020,  
by Bobby Krinsky, the Authorized Signer of Citibank, N.A., a national banking  
association.



[Signature]  
NOTARY PUBLIC  
Residing at:  
My commission expires:

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

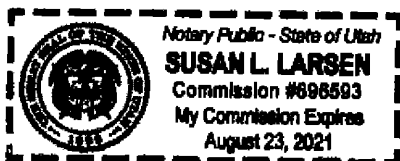
The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of NOVEMBER  
2020, by Owen Fisher, the Manager of J. Fisher Companies, LLC, a Utah limited liability  
company, which is the Manager of JF Capital, LLC, a Utah limited liability company, which is  
the Manager of JF Glenwood Member, LLC, which is the Managing Member of JF Glenwood  
Partners, LLC, a Utah limited liability company.



[Signature]  
NOTARY PUBLIC  
Residing at: DAVIS COUNTY  
My commission expires: 11/30/2021

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

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of November, 2020, by Jonathan A. Hanks, the Senior Vice President & COO of Utah Housing Corporation, a Utah public corporation.



*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC  
Residing at: *Salt Lake County*  
My commission expires: *Aug 23 2021*

EXHIBIT "A"


**Description of Property**

That certain parcel of real property situated in Salt Lake County, State of Utah, and more particularly described as follows:

Beginning at a point on the Easterly right-of-way line of Main Street; said point being South 00°05'16" West, 628.00 feet and North 89°46'15" East, 20.01 feet from the Northwest corner of Lot 10, Block 9, Ten Acre Plat "A"; said point also being South 01°12'52" West, 661.20 feet and North 89°46'15" East, 33.01 feet from found street monument in the intersection of 3900 South and Main Street; said point also being at a found rebar and cap stamped "B&G 127636" and running thence North 89°46'15" East, 346.13 feet; thence South 240.00 feet; thence South 89°46'15" West, 351.22 feet to a point on the Easterly right-of-way line of Main Street; thence North 01°12'52" East, along said Easterly right-of-way line, 240.07 feet to the point of beginning.

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

THE LENDER: CITIBANK, N.A.,  
a national banking association

By:   
Name: Barry Krinsky  
Its: Authorized Signatory

UTAH HOUSING: UTAH HOUSING CORPORATION,  
a Utah public corporation

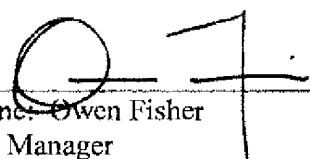
By:   
Name: Jonathan A. Hanks  
Its: Senior Vice President & COO

THE OWNER: JF GLENWOOD PARTNERS, LLC,  
a Utah limited liability company

By: JF Glenwood Member, LLC,  
a Utah limited liability company  
Its: Managing Member

By: JF Capital, LLC,  
a Utah limited liability company  
Its: Manager

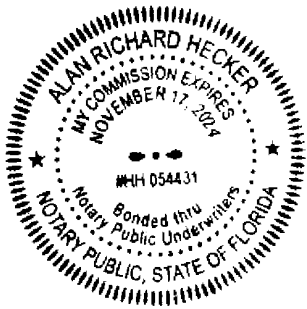
By: J. Fisher Companies, LLC,  
a Utah limited liability company  
Its: Manager

By:   
Name: Owen Fisher  
Its: Manager



STATE OF Florida )  
COUNTY OF Palm Beach : ss.

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of July, 2020, by Samy Kinsky, the Authorized Signer of Citibank, N.A., a national banking association.

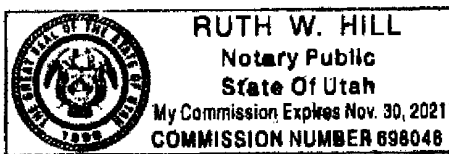


[Signature]

NOTARY PUBLIC  
Residing at:  
My commission expires:

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

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of NOVEMBER 2020, by Owen Fisher, the Manager of J. Fisher Companies, LLC, a Utah limited liability company, which is the Manager of JF Capital, LLC, a Utah limited liability company, which is the Manager of JF Glenwood Member, LLC, which is the Managing Member of JF Glenwood Partners, LLC, a Utah limited liability company.



[Signature]  
NOTARY PUBLIC  
Residing at: DAVIS COUNTY  
My commission expires: 11/30/2021